

No. 16223 ✓

United States
Court of Appeals
for the Ninth Circuit

SUN-MAID RAISIN GROWERS OF CALIFORNIA, a Corporation,

Appellant,

vs.

CALIFORNIA PACKING CORPORATION, a Corporation,

Appellee.

Transcript of Record

Appeal from the United States District Court for the
Southern District of California
Northern Division.

FILED

FEB 25 1959

PAUL P. O'BRIEN, CL

No. 16223

United States
Court of Appeals
for the Ninth Circuit

SUN-MAID RAISIN GROWERS OF CALIFOR-
NIA, a Corporation,

Appellant,

VS.

CALIFORNIA PACKING CORPORATION, a
Corporation,

Appellee.

Transcript of Record

Appeal from the United States District Court for the
Southern District of California
Northern Division.

INDEX

[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italic; and, likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible, an omission from the text is indicated by printing in italic the two words between which the omission seems to occur.]

	PAGE
Answer	21
Answer, Amended	42
Exemplar of Sun-Kist Trade-mark.....	66
Attorneys, Names and Addresses of.....	1
Certificate by Clerk.....	164
Complaint	3
Deposition of Charles Griffin, Jr.....	114
Deposition of F. R. Wilcox.....	133
Final Decree	77
Final Decree of Dismissal, Dated March 26, 1934	73
Findings of Fact and Conclusions of Law.....	67
Findings of Fact, Conclusions of Law and Order	109
Mandate, Filed June 15, 1936.....	74
Minute Entry, June 15, 1936.....	76
Motion to Dissolve Injunction or, in the Al- ternative, to Join Sunkist Grower, Inc., as a Party.....	83

INDEX	PAGE
Movant Exhibit No. 10—Agreement Dated March 10, 1917.....	15
Notice of Appeal.....	113
Opinion	85
Statement of Points on Appeal, Defendant-Appellant's	167
Supplemental Affidavit of Earle G. Granger...	81
Writ of Injunction.....	79

NAMES AND ADDRESSES OF ATTORNEYS

For Appellant

BOYKEN, MOHLER & WOOD,
GORDON WOOD,
723 Crocker Building,
San Francisco 4, California.

For Appellee

PILLSBURY, MADISON & SUTRO,
GEORGE A. SEARS,
MARSHALL P. MADISON,
JAMES MICHAEL,
Standard Oil Building,
San Francisco 4, California.

In the District Court of the United States, in and
for the Southern District of California, North-
ern Division

In Equity No. C-104—M

CALIFORNIA PACKING CORPORATION, a
Corporation,

Complainant,

vs.

SUN-MAID RAISIN GROWERS OF CALIFOR-
NIA, a Corporation,

Defendant.

BILL OF COMPLAINT

To the Honorable, the Judges of the District Court
of the United States for the Southern District
of California, sitting as a Court of Equity:

Comes now California Packing Corporation, com-
plainant above named, and for cause of action
against the defendant above named complains and
alleges as follows:

I.

That complainant is, and at all the times herein
mentioned since on or about the 19th day of Oc-
tober, 1916, has been, a corporation organized and
existing under and by virtue of the laws of the
State of New York, a citizen of said state and a
resident of said state.

II.

That defendant is, and at all the times herein

mentioned [2*] since on or about and prior to the 8th day of November, 1923, has been, a corporation organized and existing under and by virtue of the laws of the State of California, a citizen of said state and a resident of the County of Fresno, in the Southern District of California.

III.

That this is a suit of a civil nature in equity wherein the matter in controversy exceeds, exclusive of interest and costs, the sum or value of three thousand dollars (\$3,000), and is between citizens of different states.

IV.

That complainant is engaged in the business of selecting, preparing and marketing foods and ingredients of foods, and is the successor in business of The J. K. Armsby Company, a corporation organized under the laws of the State of Illinois and heretofore having an office and place of business in Chicago, Illinois, and in San Francisco, California, and said The J. K. Armsby Company carried on a business similar to that of complainant and created a very valuable good-will in connection therewith. That the said business and good-will of said The J. K. Armsby Company were assigned to and taken over by complainant on or about the 8th day of November, 1916, and all properties and rights in connection therewith, including all trade-marks, were duly assigned to and taken over by complainant, and complainant has ever since continued to own and carry on said business.

*Page numbering appearing at foot of page of original Certified Transcript of Record.

V.

That in or about the year 1903, said The J. K. Armsby Company, in contemplation of the efforts to be made in introducing and popularizing food products selected, prepared and marketed by it, created, adopted, applied and used as a trade-mark to [3] indicate the origin and genuineness of said food products the designation Sun-Kist, and thereafter continued so to use said trade-mark Sun-Kist until the business of said The J. K. Armsby Company was taken over by complainant as aforesaid, and thereafter and ever since said application and use of said trade-mark has been continued by complainant.

That the goods upon which said The J. K. Armsby Company and complainant have used, and complainant now uses, said trade-mark Sun-Kist comprise a great many kinds and varieties of food products, including canned fruits, canned vegetables, catsup, jam, jelly, canned fish and other goods specifically mentioned in the sundry certificates of registration hereinafter mentioned.

VI.

That the said goods to which complainant's said predecessor, The J. K. Armsby Company, applied its said trade-mark Sun-Kist were carefully selected and prepared and were of superior excellence, and great energy and very large expenditures of money were devoted to introducing said goods so marked and acquainting the public with the merits thereof, with the result that long prior to the 10th day of

March, 1917, as well as ever since, the reputation and consequent demand for said Sun-Kist food products had and has been very widely extended and well established throughout the United States and many other parts of the civilized world, and said trade-mark Sun-Kist had acquired and has ever since had, in connection with said goods, an established meaning as indicating that the food product upon which it appeared embodied the skill, care and probity prevailing in the business of complainant's said predecessor and of complainant. [4]

VII.

That said trade-mark Sun-Kist has been registered in the United States Patent Office by complainant's said predecessor, The J. K. Armsby Company, and complainant is now the proprietor of the following certificates of registration covering said trade-mark Sun-Kist, to wit:

- No. 67,278 January 28, 1908.
- No. 67,478 February 4, 1908.
- No. 96,082 April 7, 1914.
- No. 96,385 April 21, 1914.
- No. 96,770 May 5, 1914.
- No. 99,835 September 22, 1914.
- No. 101,121 November 17, 1914.
- No. 101,439 December 15, 1914.
- No. 102,354 February 9, 1915.
- No. 104,684 June 8, 1915.
- No. 113,219 October 10, 1916.

Complainant hereby offers to produce each and all of said certificates as and when this Honorable Court may deem proper.

VIII.

That from the beginning, the business of preparing and marketing food products under said trade-mark Sun-Kist has been a developing one, additional kinds and varieties of food products being from time to time added to the kind and varieties being prepared and sold in said business, with the result that many kinds and varieties of such food products have been prepared and sold under said trade-mark Sun-Kist in very large quantities for more than twenty years, and other kinds and varieties of food products have been prepared and sold under said trade-mark for shorter periods, and, in the case of still other kinds and varieties, preparations for the packaging and sale have been made without any considerable amount of the goods yet being marketed, the history and the policy of the business having been, and being, to develop and extend the business by the preparation and sale of additional [5] varieties of food products as rapidly as the circumstances and the energies and resources of complainant and its predecessor permitted.

IX.

That heretofore, to wit, on or about the . . day of January, 1915, the California Associated Raisin Company, a corporation, then engaged in business in the State of California and elsewhere, commenced

to use the trade-mark Sun-Maid in connection with raisins, and said The J. K. Armsby Company, said predecessor of complainant, thereupon, and on or about the . . day of June, 1915, brought suit in the United States District Court, in and for the Southern District of New York, against two individuals residing in the said district of New York who were at that time using said trade-mark Sun-Maid in said district in connection with the sale of raisins which had been produced by said California Associated Raisin Company and sold to said individuals by said California Associated Raisin Company; that in said suit said The J. K. Armsby Company claimed that said use was an infringement upon the rights of said The J. K. Armsby Company in, to or in connection with said trade-mark Sun-Kist belonging to said The J. K. Armsby Company, and that company, in said suit, prayed for an injunction against the said defendants using said trade-mark Sun-Maid.

That thereafter and on or about the 8th day of November, 1916, said The J. K. Armsby Company assigned and transferred to complainant, as aforesaid, all of its rights to use the said trade-mark Sun-Kist and all of its interest in and to said suit.

That thereafter and on or about the 10th day of March, 1917, and while said suit was pending in said court, the said California Associated Raisin Company desiring that its right to [6] use the said trade-mark Sun-Maid, in connection with packages containing raisins or on packages containing food

products or confections made wholly or in part from raisins, should be established as against said The J. K. Armsby Company and complainant, and to that end, desiring to procure a dismissal of said suit, entered into a written agreement with complainant and said The J. K. Armsby Company and others wherein and whereby it was covenanted and agreed by all said parties to said agreement that said suit should be dismissed and that no claim should ever be made thereafter by the said The J. K. Armsby Company, or by complainant, to the effect that the said trade-mark Sun-Maid, when used in connection with the packing and sale of raisins and other food products and confections containing raisins, interfered with the trade-mark Sun-Kist formerly owned and used by the said The J. K. Armsby Company, and then, at the time said agreement was so entered into, owned and used by complainant; and in consideration thereof, the said California Associated Raisin Company on its part covenanted and agreed in and by said agreement that it would use the said trade-mark Sun-Maid "only on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins," and that if it, the said California Associated Raisin Company, should sell or assign said trade-mark Sun-Maid, the buyer or assignee should only have the right to use the said trade-mark "to the extent" that said California Associated Raisin Company had "the right to use the same," under said agreement. It was furthermore provided in said agreement that nothing therein contained should be con-

strued to require the said The J. K. Armsby Company or complainant to relinquish its right to the use of the said trade-mark Sun-Kist in connection with the packing and sale of raisins or other food products.

That complainant and said The J. K. Armsby Company [7] caused said suit to be dismissed in accordance with said agreement on or about the 18th day of April, 1917, and said contract has ever since been, and is now, in full force and effect, and complainant and said The J. K. Armsby Company have ever duly performed all of the conditions of said contract on their part, or on the part of either of them, to be performed.

X.

That from the time of the making of said contract of March 10, 1917, said California Associated Raisin Company continued to carry on its said business under its said name until the 17th day of February, 1922, on which day it changed its name to Sun-Maid Raisin Growers, and thereafter said corporation, under the name of Sun-Maid Raisin Growers, continued to carry on said business until on or about the 8th day of November, 1923, at which time it assigned and transferred unto Sun-Maid Raisin Growers of California, defendant herein, its right, title and interest in and to said trade mark Sun-Maid, together with the business and goodwill thereof of said Sun-Maid Raisin Growers, in connection with which business and goodwill said trade mark was then being, or had been, used, and said

Sun-Maid Raisin Growers thereupon went out of business and has ever since continued to do no business. That the defendant has ever since carried on, and does now carry on, said business. That said Sun-Maid Raisin Growers of California, the defendant herein, by virtue of said assignment and transfer from said Sun-Maid Raisin Growers, acquired and has ever since owned, and now owns, the said trade mark Sun-Maid as the use thereof was agreed upon and limited as aforesaid in and by said agreement of March 10, 1917, and said California Associated Raisin Company or said Sun-Maid Raisin Growers of California has never acquired and never owned [8] greater right to the use of said trade mark Sun-Maid that was agreed upon and limited by said agreement as aforesaid.

That thereafter, to wit, on or about the 1st day of January, 1929, the defendant, in violation of complainant's rights as aforesaid, began to use, has ever since continued to use, and is now using, said trade mark Sun-Maid upon large quantities of canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup and upon many other food products, all of which are articles of foods and ingredients of foods, and essentially of the same class and particular description as the goods selected, prepared and marketed by said The J. K. Armsby Company or by complainant under the trade mark Sun-Kist at the time said agreement of March 10, 1917, was entered into, and for a long time prior thereto and ever since. That said defend-

and has sold, or caused to be sold, and is now selling, or causing to be sold, large quantities of said goods throughout the United States and elsewhere under the said trade mark Sun-Maid.

That on or about the 4th day of March, 1929, complainant notified the defendant that its said use of said trade mark Sun-Maid, in connection with said canned goods, canned fruits and food products, other than raisins or confections made wholly or in part from raisins, was contrary to defendant's rights and obligations and in violation of complainant's rights under said agreement of March 10, 1917, and complainant demanded that defendant desist from continuing said use. Thereafter and on the 15th day of March, 1929, the defendant notified complainant that said agreement was not binding upon it, but was binding only, if at all, upon the said California Associated Raisin Company, and defendant refused to desist or discontinue its said violations of said contract, but, on the contrary, asserts the right to [9] continue the same, and it has ever since continued to and does now use said trade mark Sun-Maid upon large quantities of canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup and many other food products or confections not made wholly or in part from raisins, and unless enjoined by this Honorable Court defendant will continue to market and sell, or cause to be marketed and sold, large quantities of said food products other than raisins or confections made wholly or in part from raisins through-

out the United States, to the great and irreparable damage and injury of complainant.

XI.

That the word or words Sun-Kist and Sun-Maid closely resemble each other in sound and suggestiveness in connection with foods and food products, and the name Sun-Maid is frequently mistaken for and confused with the name or trade mark Sun-Kist owned by complainant and used in connection with the sale of its goods as aforesaid. That the use of said trade mark Sun-Maid would and does deceive the public and cause purchasers to buy the goods of defendant in the belief that the said goods are the Sun-Kist goods of complainant, long known and in demand as aforesaid, and as and for the goods of complainant, and the use thereof has promoted, and will promote, mistake, confusion and fraudulent substitution, and the division, diversion and destruction of complainant's good-will and business aforesaid, and will jeopardize the good-will and reputation which complainant has built up through many years of effort and large expenditures of money as aforesaid.

XII.

That the value of the good-will of complainant's business of preparing and marketing its food products under its said [10] trade mark Sun-Kist is more than one million dollars, and by the acts of defendant said complainant's business has been interfered with and damaged, and continues to be

interfered with and damaged, to the extent of more than three thousand dollars.

XIII.

That complainant has no adequate remedy at law.

Wherefore, complainant prays:

1. That process of subpoena issue herein, directed to the said Sun-Maid Raisin Growers of California directing it to appear and answer the allegations herein contained;

2. That an injunction issue herein, perpetually enjoining and restraining the said defendant, its agents and servants, and all claiming or holding through or under it, from using the said trade mark Sun-Maid otherwise than on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins.

3. For such other and further relief in the premises as upon the facts as they may be made to appear may be just and reasonable.

4. For complainant's costs and disbursements of this suit and for such damages as complainant may show itself entitled to.

/s/ ARCHIBALD COX,

Pillsbury, Madison & Sutro, Solicitors and Counsel
for Complainant.

[Endorsed]: Filed October 16, 1929. [11]

MOVANT EXHIBIT No. 10

This Agreement, made and entered into this 10th day of March, 1917, by and between California Associated Raisin Company, a corporation, party of the first part, and Griffin & Skelley Company, a corporation, party of the second part, and California Fruit Canners' Association, a corporation, party of the third part,

Witnesseth:

Whereas, the party of the first part and the party of the third part, on or about the 10th day of September, 1913, entered into certain agreements and leases in writing, which, except as modified by subsequent correspondence between said parties, are still in force and effect, and are hereby referred to and made a part of this agreement, and which it is understood and agreed between the said parties shall so continue in force and effect until September 15th, 1918; and,

Whereas, the party of the first part and the party of the second part, on or about the 16th day of July, 1913, entered into certain agreements and leases, which, except as modified by subsequent correspondence and agreements between said parties, are still in force and effect, and are hereby referred to and made a part of this agreement, and which it is understood and agreed between the said parties shall so continue in force and effect until July 1st, 1918; and,

Whereas, since the execution of said contracts, the parties of the second and third parts together with the J. K. Armsby Company, a corporation, have transferred and conveyed to the California Packing Corporation certain of their properties, including their facilities for packing and marketing raisins, both said parties of the second and third parts and said J. K. Armsby Company, however, retaining their respective corporate identities; and [14]

Whereas, there is now pending in the United States District Court for the Southern District of New York a suit in equity entitled "The J. K. Armsby Company, Complainant, vs. Ernest L. Heebner and Archibald C. Clark, Defendants," involving the right of the party of the first part to use the trade-mark "Sun-Maid" in connection with the manufacture and sale of raisins, the J. K. Armsby Company claiming that such use by the party of the first part of said trade-mark is detrimental to the J. K. Armsby Company in the sale of raisins and other products, in that the name "Sun-Maid" was and is mistaken for and confused with the trade-mark "Sunkist" owned by The J. K. Armsby Company and used by it in connection with the sale of raisins, dried fruits and canned goods; and,

Whereas, said trade-mark "Sunkist," and all of the right of said The J. K. Armsby Company to use the same, and all of the interest of said The J. K. Armsby Company in and to the suit pending as aforesaid, have been transferred and assigned to said California Packing Corporation; and

Whereas, the party of the first part desires that its right to use the said trade-mark "Sun-Maid" in connection with the packing and sale of raisins and food products or confections containing raisins shall be established as against the J. K. Armsby Company, or its successors, or any one claiming through or under them, the right to use said trade-mark "Sunkist," and to that end to procure the dismissal of said suit; and,

Whereas, the parties of the second and third parts desire to procure the consent of the party of the first part to the employment by the parties of the second and third parts of said California Packing Corporation as their manufacturing and selling agents for the purpose of fully carrying out the [15] provisions of the contracts and leases hereinbefore referred to;

Now, Therefore, in consideration of the premises and of the procurement by the parties of the second and third parts of the dismissal of the said suit pending in the United States District Court, in and for the Southern District of New York entitled "The J. K. Armsby Company, Complainant, vs. Ernest L. Heebner and Archibald C. Clark, Defendants," and the procurement by said parties of the second and third parts of an agreement on the part of said California Packing Corporation and The J. K. Armsby Company, that no claim shall be made hereafter that the trade-mark of the party of the first part, "Sun-Maid," when used in connection with the packing and sale of raisins and food prod-

ucts or confections containing raisins interferes with the trade-mark "Sunkist" formerly owned by said The J. K. Armsby Company and now owned by said California Packing Corporation, the party of the first part has agreed, and does hereby agree, that the contracts and leases now in force and effect between it and the parties of the second and third parts respectively as above recited, shall continue in full force and effect until the respective dates of termination thereof above stated, notwithstanding the transfer by the parties of the second and third parts, or either of them, of their manufacturing and selling facilities to the said California Packing Corporation; and the party of the first part agrees that the parties of the second and third parts may employ the said California Packing Corporation as their agent for the purpose of packing and selling raisins, and otherwise carrying out the covenants of said contracts on their parts respectively to be performed.

And the party of the first part further agrees, in [16] consideration of the dismissal of said suit and the agreement to be procured from said The J. K. Armsby Company and California Packing Corporation as aforesaid, concerning the use of said trade-mark "Sun-Maid," that it the party of the first part will use the said trade-mark "Sun-Maid" only on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, and that said trade-mark when so used by the party of the first part

shall always be accompanied by the name of the party of the first part, or the name "Associated Warehouse Company" as packer; provided however, that nothing herein contained shall be construed to limit the right of the party of the first part to sell or assign said trade-mark or to license other persons, firms, or corporations to use the same to the extent to which the party of the first part has the right to use the same under this agreement as against said The J. K. Armsby Company or said California Packing Corporation; and provided further, that nothing herein contained shall be construed to require said The J. K. Armsby Company or California Packing Corporation to relinquish its use of the trade-mark "Sunkist" in connection with the packing and sale of raisins or other food products.

It is expressly understood and agreed that this agreement shall be of no force or effect until the parties of the second and third parts shall have procured and delivered to the party of the first part a copy of the order of court dismissing the action above referred to, duly certified by the clerk of the United States District Court, for the Southern District of New York, and shall also have procured from said The J. K. Armsby Company and California Packing Corporation the agreement concerning the use of said trade-mark "Sun-Maid" [17] above provided for; it being understood, however, that the approval of this agreement by said last-named corporations endorsed thereon shall be

deemed to be a sufficient agreement on their part concerning the use of said trade-mark.

In Witness Whereof, the parties hereto, by their duly authorized officers, have executed this agreement and affixed hereto their respective corporate seals, the day and year first above written.

CALIFORNIA ASSOCIATED
RAISIN COMPANY,

By /s/ JAMES MADISON,
V-President,

By /s/ C. A. MURDOCH,
Secretary.

GRIFFIN & SKELLEY
COMPANY,

By /s/ C. W. GRIFFIN.

CALIFORNIA FRUIT CAN-
NERS ASSOCIATION,

By /s/ S. L. GOLDSTEIN,
V-President,

By /s/ CHAS. B. CARR,
Secretary.

For and in consideration of the execution of the foregoing agreement by California Associated Raisin Company, the undersigned California Packing Corporation and The J. K. Armsby Company do hereby approve and adopt the same as their agreement in so far as the same relates to the use

by said California Associated Raisin Company of the trade-mark "Sun-Maid."

Dated: This 10th day of March, 1917.

CALIFORNIA PACKING
CORPORATION,

By /s/ J. K. ARMSBY,
President.

THE J. K. ARMSBY
COMPANY,

By /s/ J. G. NEWTON,
V-President.

Received in evidence June 19, 1958. [18]

[Title of District Court and Cause.]

ANSWER

Now comes Sun-Maid Raisin Growers of California, defendant above named, and in answer to the bill of complaint herein, admits, denies and alleges as follows:

1.

Answering Paragraph I of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

2.

Answering Paragraph II of said bill of complaint, defendant admits the allegations thereof.

3.

Answering Paragraph III of said bill of complaint, defendant admits that this is a suit of a civil nature in equity but denies that the matter in controversy exceeds, exclusive of interest and costs, the sum or value of Three Thousand Dollars (\$3,000.00) and has no knowledge as to whether or not it is between citizens of different states. [19]

4.

Answering Paragraph IV of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

5.

Answering Paragraph V of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

6.

Answering Paragraph VI of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph.

7.

Answering Paragraph VII of said bill of complaint, defendant admits that a trade-mark "Sun-Kist has been registered in the United States Patent Office but is without knowledge as to whether complainant is now the proprietor of the said certifi-

cates of trade-mark registrations covering said trade-mark "Sun-Kist" set forth in the bill of complaint herein and requires [20] complainant to produce each and all of said certificates, together with evidence that complainant is the proprietor thereof.

8.

Answering Paragraph VIII of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

9.

Answering Paragraph IX of said bill of complaint, defendant admits that heretofore, to wit, on or about the day of January, 1915, the California Associated Raisin Company, a corporation, then engaged in business in the State of California and elsewhere, commenced to use the trade-mark "Sun-Maid" in connection with raisins and that said J. K. Armsby Company, said predecessor of complainant thereupon and on or about the day of June, 1915, brought suit in the United States District Court, in and for the Southern District of New York, against two individuals residing in the said district of New York, who were at that time using said trade-mark "Sun-Maid" in said district in connection with the sale of raisins which had been produced by said California Associated Raisin Company and sold to said individuals by said California Associated Raisin Company; admits that in said suit said, The J. K. Armsby Company, claimed

that said use was an infringement upon the rights of said, the J. K. Armsby Company, in, to or in connection with said trade-mark "Sun-Kist" alleged to have belonged to said, The J. K. Armsby Company, and that company in said suit prayed for an injunction against the said defendants using said trade-mark "Sun-Maid." [21]

Defendant is without knowledge as to whether, on the 8th day of November, 1916, or any other date or at all, said The J. K. Armsby Company assigned and transferred to complainant, all of its rights to use the said trade-mark "Sun-Kist" and all of its interest in and to said suit.

Denies on information and belief that thereafter or on or about the 10th day of March, 1917, or while said suit was pending in said court, or at any other time, or at all, the said California Associated Raisin Company desired that its right to use the said trade-mark "Sun-Maid" in connection with packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, should be established as against said, The J. K. Armsby Company, or complainant, or to that end, or at all, that said California Associated Raisin Company desired to procure a dismissal of said suit or that it entered into a written agreement on said last-named date or at any other time, or at all, with complainant and said, The J. K. Armsby Company, and others, wherein or whereby it was covenanted or agreed by all or any of said parties to said alleged agreement that said suit should be dismissed

or that no claim should ever be made thereafter by the said, The J. K. Armsby Company, or by complainant, to the effect that the said trade-mark "Sun-Maid" when used in connection with the packing or sale of raisins or other food products or confections containing raisins, interfered with the trade-mark "Sun-Kist" alleged to be formerly owned and used by the said, The J. K. Armsby Company, or then, at the time said alleged agreement was so entered into owned or used by complainant: denies on information and belief that in consideration thereof, or for any other reason, or at all, the said California Associated Raisin Company on its part covenanted or agreed in or by said agreement that it would use the said trade-mark "Sun-Maid" "only on packages containing raisins or on [22] packages containing food products or confections made wholly or in part from raisins" or that if it, the said California Associated Raisin Company should sell or assign said trade-mark "Sun-Maid" the buyer or assignee should only have the right to use the said trade-mark "to the extent" that said California Associated Raisin Company had "the right to use the same" under said alleged agreement. Denies on information and belief that it was furthermore, or at all, provided in said alleged agreement that nothing therein contained should be construed to require the said, The J. K. Armsby Company, or complainant, to relinquish its right to the use of the said trade-mark "Sun-Kist" in connection with the packing or sale of raisins or other food products.

Admits that complainant the said, The J. K. Armsby Company, caused said suit to be dismissed on or about the 18th day of April, 1917, but is without knowledge as to whether such dismissal was in accordance with said alleged agreement and denies on information and belief that said alleged contract has ever since been and is now or ever was in full or any other force or effect, or that complainant, or said, The J. K. Armsby Company, have ever duly or otherwise, or at all, performed all or any of the conditions of said alleged contract on their part, or on the part of either of them, to be performed.

10.

Answering Paragraph X of said bill of complaint, defendant denies on information and belief as aforesaid, that said contract was ever made, but admits that said California Associated Raisin Company continued to carry on its said business under its said name until the 17th day of February, 1922, on which day it changed its name to Sun-Maid Raisin Growers, and admits that thereafter said corporation, under the name of Sun-Maid Raisin Growers, continued to carry on said business until [23] on or about the 8th day of November, 1923, and thereafter; admits that on or about the 8th day of November, 1923, said Sun-Maid Raisin Growers assigned and transferred unto Sun-Maid Raisin Growers of California, defendant herein, its right, title and interest, in and to said trade-mark "Sun-Maid" together with the business and goodwill thereof of said Sun-Maid Raisin Growers, in con-

nection with which business and goodwill said trade-mark was then being or had been used, but denies on information and belief that said Sun-Maid Raisin Growers thereupon went out of business or has ever since continued to do no business, and in that respect defendant alleges on information and belief that said Sun-Maid Raisin Growers is still an existing corporation. Admits that the defendant has ever since carried on and does now carry on a portion of the business formerly carried on by said Sun-Maid Raisin Growers. Admits that said Sun-Maid Raisin Growers of California, the defendant herein, by virtue of said assignment and transfer from said Sun-Maid Raisin Growers acquired and has ever since owned and now owns said trade-mark "Sun-Maid," but denies that the use thereof was in any way agreed upon or limited in and by said alleged agreement of March 10, 1917, or by any other agreement, or at all, and denies that said California Associated Raisin Company or said Sun-Maid Raisin Growers of California has never acquired or never owned greater rights to the use of said trade-mark "Sun-Maid," than alleged to have been agreed upon or limited by said alleged agreement as aforesaid.

Admits that thereafter, to wit, on or about the first day of January, 1929, the defendant was using the trade-mark "Sun-Maid" upon canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup, and upon many other food products, all of which are articles of foods and ingredients of

foods, but [24] denies that it began using such trade-mark, on said products on said last named date and alleges that it so began, long prior to January 1, 1929; denies that such use is in violation of any of complainant's alleged rights, or that all of said goods are essentially or otherwise of the same class or particular description as the goods alleged to be selected, prepared or marketed by said, The J. K. Armsby Company or by complainant under the trade-mark "Sun-Kist" at the time said alleged agreement of March 10, 1917, was alleged to have been entered into, or for a long time prior thereto or ever since. Admits that said defendant has sold or caused to be sold and is now selling or causing to be sold, said goods throughout the United States and elsewhere, under the trade-mark "Sun-Maid."

Admits that on or about the 4th day of March, 1929, complainant notified the defendant that its said use of the trade-mark "Sun-Maid," in connection with said canned goods, canned fruits or food products, other than raisins or confections made wholly or in part of raisins, was contrary to defendant's rights and obligations and in violation of complainant's rights under said alleged agreement of March 10, 1917, and that complainant demanded that defendant desist from continuing said use, but alleges that this notice was the first time defendant had ever heard of the alleged contract respecting said "Sun-Maid" trade-mark made or entered into on or about March 10, 1917. Admits that thereafter

and on or about the 15th day of March, 1929, the defendant notified complainant that said agreement was not binding upon it, but was binding only, if at all, upon said California Associated Raisin Company, and admits that defendant refused to desist or discontinue what is alleged to be violations of said alleged contract, and admits that defendant asserts the right to continue the same, and defendant has ever since continued to and does now use said [25] trade-mark "Sun-Maid" upon canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup and many other food products or confections not made wholly or in part from raisins but denies that such continued use will be or ever has been to the great or irreparable or any other damage or injury of complainant.

11.

Answering Paragraph XI of said bill of complaint, defendant denies that the word or words "Sun-Kist" and "Sun-Maid" closely resemble each other in sound or suggestiveness in connection with foods or food products, and denies that the name "Sun-Maid" is frequently, or at all, mistaken for or confused with the name or trade-mark "Sun-Kist" alleged to be owned by complainant and alleged to be used in connection with the sale of complainant's goods. Denies that the use of said trade-mark "Sun-Maid" would or does deceive the public or cause purchasers to buy the goods of defendant in belief that the said goods are the alleged "Sun-Kist" goods of complainant, alleged to have

been long-known and in demand, and as and for the goods of complainant, and denies that the use thereof has promoted or will promote mistake, confusion or fraudulent substitution or the division, diversion or destruction of complainant's alleged goodwill or business or will jeopardize the alleged goodwill or reputation which complainant is alleged to have built up through many years of effort or large expenditures of money. [26]

12.

Answering Paragraph XII of said bill of complaint, defendant denies on information and belief that the value of said alleged goodwill of complainant's business of preparing or marketing its food products under its said alleged trade-mark "Sun-Kist" is more than one million dollars, or of any value whatsoever, or that by the acts of defendant said complainant's business has been interfered with or damaged or continues to be or ever was interfered with or damaged to the extent of more than three thousand dollars or to any other sum or at all.

13.

For a further and separate defense, defendant alleges that neither complainant nor The J. K. Armsby Company is the exclusive owner of the word "Sun" for trade-mark use and that such word has been commonly and extensively used by others as a trade-mark applied to foods and ingredients of foods, either alone or part of a composite mark, long prior to the alleged adoption and first use of

the word "Sun-Kist" by said The J. K. Armsby Company, as appears from the following trademark registrations in the United States Patent Office:

No. 9420, May 30, 1882, H. Denny & Sons;

No. 12474, August 4, 1885, P. D. Gwaltney & Company;

No. 33267, July 25, 1899, Wisconsin Condensed Milk Company;

No. 35435, November 13, 1900, The American Cotton Oil Company;

No. 39181, November 4, 1902, Alaska Packers Association;

No. 45259, August 8, 1905, The Gwaltney-Bunkley Peanut Company;

No. 53653, June 5, 1906, Philip Wunderle;

No. 60249, February 5, 1907, The Albert Dickinson Company;

No. 61039, March 5, 1907, The American Cotton Oil Company;

No. 61796, April 2, 1907, Wisconsin Condensed Milk Company;

No. 43082, August 2, 1904, Hubbard Milling Company;

No. 60229, February 5, 1907, Ross W. Weir & Company;

No. 8459, July 12, 1881, Farmers Fruit Preserving Company;

No. 14845, October 18, 1887, P. Wunderle;

No. 14995, December 6, 1887, Bennett Day & Company;

No. 26755, July 2, 1895, David Stewart; [27]

No. 44002, January 17, 1905, Dwight M. Baldwin, Jr.;

No. 12612, September 29, 1885, H. H. Warner;

No. 18164, July 8, 1890, W. B. Timms;

No. 20075, August 25, 1891, John L. Rodgers & Company;

No. 15458, May 13, 1888, Cobb, Wight & Company;

No. 41407, November 3, 1903, The Robert F. Mackenzie Company;

No. 48516, January 2, 1906, The Robert F. Mackenzie Company;

No. 60292, February 5, 1907, National Candy Company;

No. 43881, December 20, 1904, Sunbrights California Food Company;

No. 46863, October 10, 1905, Sunbrights California Food Company;

No. 49685, February 13, 1906, Sunbrights California Food Company;

No. 40935, August 18, 1903, Harvey Lockie & Company;

No. 60119, January 29, 1907, Ross W. Weir & Company;

No. 9433, June 6, 1882, H. Denny & Sons;

No. 27280, November 19, 1895, Curtis P. Upshur;

No. 31494, April 26, 1898, Sarah A. Yost;

No. 37936, March 11, 1902, The Dolan Mercantile Company;

No. 40104, April 14, 1903, The Queen City Creamery Company;

No. 41713, December 22, 1903, The Dolan Mercantile Company;

No. 49929, February 20, 1906, Yost Yeast Company;

No. 52515, May 8, 1906, The Dolan Mercantile Company;

No. 60651, February 19, 1907, The Dolan Mercantile Company;

No. 64135, July 23, 1907, The Dolan Mercantile Company;

No. 65375, September 24, 1907, August L. Jaenicke;

No. 41115, September 15, 1903, The Sunland Orchard Company;

No. 26096, February 19, 1895, National Milling Company;

No. 27956, March 17, 1896, The Waterloo Yeast Company;

No. 50369, March 13, 1906, George Frank;

No. 54427, June 26, 1906, George Frank;

No. 56340, September 11, 1906, Sunlight Hominy Company;

No. 44025, January 24, 1905, The Force Food Company;

No. 55816, August 21, 1906, The Force Food Company;

No. 31049, December 28, 1897, New York Condensed Milk Company;

No. 39035, October 14, 1902, The T. A. Snider Preserve Company;

No. 49670, February 13, 1906, Portland Packing Company;

No. 19625, June 2, 1891, Portland Packing Company;

No. 21387, June 28, 1892, L. J. Rose & Company, Ltd.;

No. 31830, August 2, 1898, Byrd G. Pollard;

No. 32420, January 24, 1899, Swift & Company;

No. 52761, May 15, 1906, Russell & Company;

No. 54584, June 26, 1906, Albert Edward Tate;

No. 42591, May 10, 1904, Kentucky Refining Company;

No. 57687, November 27, 1906, A. H. Herrick & Son;

No. 66384, November 26, 1907, Bosman & Lohman Company;

No. 17930, May 20, 1890, Joseph Tetley & Co.;

No. 58,636, December 18, 1906, Consumers' Coffee Co. of No. O. Ltd.;

No. 80,208, November 22, 1910, Norval Landon Burchell;

No. 82823, July 25, 1911, Woolson Spice Company;

No. 91450, May 6, 1913, Austin, Nichols & Co.;

No. 93576, September 23, 1913, The Woolson Spice Co.;

No. 102051, January 26, 1915, Cheek-Neal Coffee Co.;

No. 110108, May 2, 1916, Joseph Tetley & Co., Inc.;

No. 118395, September 4, 1917, Edmands Coffee Company;

No. 123327, October 29, 1918, The Brundage Brothers Company. [28]

14.

For a further and separate defense, defendant alleges that neither complainant nor The J. K. Armsby Company is the exclusive owner of the word "Sun-Kist" for trade-mark use and that such word has been commonly and extensively used by others as a trade-mark applied to foods and ingredients of foods, either alone or as part of a composite mark, as appears from the following trade-mark registrations in the United States Patent Office:

No. 72087 (Renewed), January 5, 1909, California Fruit Growers Exchange, Los Angeles, California, for oranges;

No. 85069, January 30, 1912, California Fruit Growers Exchange, Los Angeles, California; lemons;

No. 117107, June 19, 1917, California Fruit Growers Exchange, Los Angeles, California, for citrus fruits;

No. 92809, July 29, 1913, Maney Milling Company, wheat flour;

No. 102222, January 26, 1915, Ward Baking Company, cakes;

No. 111055, June 20, 1916, Redbanks Orchard Company, table grapes;

No. 176568, November 27, 1923, Sunkist Lemon Pie Company, lemon meringue pies.

15.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid"

and "Sun-Kist" as trade-marks applied to foods and ingredients of foods, and that the United States Patent Office, notwithstanding previous trade-mark registrations of "Sun-Kist" as applied to foods and ingredients of foods has consistently and repeatedly allowed and registered the trade-mark "Sun-Maid" to defendant as applied to foods and ingredients of foods. [29]

16.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid" and "Sun-Kist," as trade-marks applied to foods and ingredients of foods, and that such lack of deceptive similarity and public confusion was admitted by complainant and said The J. K. Armsby Company in said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, defendant alleging on information and belief that such agreement provides that said California Associated Raisin Company and said The J. K. Armsby Company may continue to use respectively the trade-marks "Sun-Maid" and "Sun-Kist" as applied to raisins.

17.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid" and "Sun-Kist" as trade-marks applied to foods and ingredients of foods, and that such lack of deceptive similarity and public confusion was admitted by complainant and said The J. K. Armsby

Company, and settled by decree of court, when the suit brought in the United States District Court for the Southern District of New York, and more specifically referred to in Paragraph IX of the bill of complaint herein, was dismissed by complainant therein on or about April 18, 1917.

18.

For a further and separate defense, defendant alleges on information and belief, that since March 10, 1917, the date of said alleged agreement, California Associated Raisin Company (later changed to Sun-Maid Raisin Growers) and Sun-Maid Raisin Growers of California, defendant herein, on one hand, and [30] The J. K. Armsby Company and California Packing Corporation, complainant herein, on the other hand, have continuously, extensively, and competitively used the trade-marks "Sun-Maid" and "Sun-Kist" respectively, as applied to raisins and said Sun-Maid Raisin Growers of California and said California Packing Corporation are now so using the respective trade-marks "Sun-Maid" and "Sun-Kist" as applied to the same product, namely raisins, without any confusion resulting.

19.

For a further and separate defense, defendant alleges that its right to use the trade-mark "Sun-Maid," as applied to canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup, and upon certain other food products, was not acquired by assignment or otherwise from said California Associated Raisin Company, but by reason

of defendant's own adoption and first use thereof on said products.

20.

For a further and separate defense, defendant alleges that its right to use the trade-mark "Sun-Maid" as applied to rice, extracts, fish, cereals, tea, coffee, spices, and certain other food products, was not acquired by assignment or otherwise from California Associated Raisin Company, but by reason of adoption and first use thereof by San Joaquin Grocery Co. and its predecessors, of Fresno, California, on or about January 16, 1916, which trade-mark as applied to said products and goodwill connected therewith was assigned to defendant herein on or about August 11, 1924. [31]

21.

For a further and separate defense, defendant alleges on information and belief that said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, is void and not binding on defendant herein by reason of constituting undue restraint of trade and as being against public policy.

22.

For a further and separate defense, defendant alleges on information and belief that the said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, is binding, if at all, only upon the parties thereto and any person, firm, or corporation, to which said California Associated Raisin Company might thereafter issue a license

to use said trade-mark "Sun-Maid," but that it is specifically provided in said alleged agreement that nothing therein contained should be construed to limit the right of said California Associated Raisin Company to sell or assign said trade-mark.

23.

For a further and separate defense, defendant alleges that complainant herein is estopped, because of laches and unreasonable delay in bringing this suit, by reason of the following facts, to wit:

The trade-mark "Sun-Maid" was adopted and first used by San Joaquin Grocery Co., and its predecessors, as applied to food flavoring extracts, canned fish, nuts in their natural state, table syrup, mincemeat, cornstarch, canned meats, canned corned [32] beef, rice, pickles, sauces for food flavoring purposes, vinegar, edible oil, molasses, breakfast cereals, teas, coffees, and spices, as early as January 16, 1916; thereafter and on or about June 20, 1923, said San Joaquin Grocery Co. filed an application in the United States Patent Office, for registration of said trade-mark "Sun-Maid," applied to said products above named; thereafter such application for registration was allowed by the United States Patent Office and said trade-mark "Sun-Maid" was published on June 3, 1924, in the Official Gazette of the Patent Office, Vol. 323, page 13; thereafter and on or about August 11, 1924, said San Joaquin Grocery Co. assigned and transferred said trade-mark "Sun-Maid" used as aforesaid, together with the goodwill in connection therewith, to Sun-Maid Raisin Growers of California, defend-

ant herein, and said trade-mark was duly registered in the name of defendant on or about January 6, 1925, as No. 193,753; thereafter and on or about February 13, 1926, said Sun-Maid Raisin Growers of California adopted and first used the trade-mark "Sun-Maid" as applied to baking powder and on or about December 22, 1926, filed an application in the United States Patent Office, for registration of said trade-mark as applied to baking powder; thereafter such application for registration was allowed by the United States Patent Office and said trade-mark "Sun-Maid" was published on February 8, 1927, in the Official Gazette of the Patent Office, Vol. 355, page 221, and duly registered by defendant on or about April 19, 1927, as No. 226,774.

The use of said trade-mark "Sun-Maid" on all of the aforesaid products, and on many other food products, has been continuously, and publicly carried on by San Joaquin Grocery Co., and by Sun-Maid Raisin Growers of California, in the regular course of trade, since the adoption and first use thereof by the respective companies as aforesaid, and said trade-mark "Sun-Maid" is now so being used by Sun-Maid [33] Raisin Growers of California, representing a valuable goodwill and trade-mark right.

Defendant alleges on information and belief that complainant herein has subscribed to said Official Gazette for more than six years last past, and through its officers and employees saw and knew of said trade-mark publications and registrations of the trade-mark "Sun-Maid" applied to food prod-

ucts other than raisins and that said complainant as early as January 16, 1916, and continuously thereafter, through its officers and employees, saw and knew that said trade-mark "Sun-Maid" was being publicly used, first by San Joaquin Grocery Co., and later by defendant herein, in the regular course of trade, on the products above specifically named and on many other food products, but notwithstanding said knowledge, said complainant made no protest or complaint of any kind or character to defendant herein, until on or about the 4th day of March, 1929, when defendant was notified as alleged in Paragraph X of the bill of complaint herein.

Wherefore defendant prays that said bill of complaint be dismissed with costs to defendant.

Dated November 16, 1929.

SUN-MAID RAISIN
GROWERS OF CALIFORNIA,

By /s/ MILLER & BOYKEN,
Its Solicitors.

/s/ JOHN H. MILLER,

/s/ A. W. BOYKEN,

/s/ E. S. ROGERS,

/s/ ALLEN M. REED,

Of Counsel.

Receipt of copy acknowledged.

[Endorsed]: Filed November 14, 1929. [34]

[Title of District Court and Cause.]

AMENDED ANSWER

Now comes Sun-Maid Raisin Growers of California, defendant above named, and in answer to the bill of complaint herein, admits, denies and alleges as follows:

1.

Answering Paragraph I of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

2.

Answering Paragraph II of said bill of complaint, defendant admits the allegations thereof.

3.

Answering Paragraph III of said bill of complaint, defendant admits that this is a suit of a civil nature in equity but denies that the matter in controversy exceeds, exclusive of interest and costs, the sum or value of Three Thousand Dollars (\$3,000.00) and has no knowledge as to whether or not it is between citizens of different states. [36]

4.

Answering Paragraph IV of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

5.

Answering Paragraph V of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

6.

Answering Paragraph VI of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph.

7.

Answering Paragraph VII of said bill of complaint, defendant admits that a trade-mark "Sun-Kist" has been registered in the United States Patent Office but is without knowledge as to whether complainant is now the proprietor of the said certificates of trade-mark registrations covering said trade-mark "Sun-Kist" set forth in the bill of complaint herein and requires [37] complainant to produce each and all of said certificates, together with evidence that complainant is the proprietor thereof.

8.

Answering Paragraph VIII of said bill of complaint, defendant alleges that it is without knowledge as to the allegations contained in said paragraph, and therefore denies the same.

9.

Answering Paragraph IX of said bill of complaint, defendant admits that heretofore, to wit, on

or about the day of January, 1915, the California Associated Raisin Company, a corporation, then engaged in business in the State of California and elsewhere, commenced to use the trade-mark "Sun-Maid" in connection with raisins and that said The J. K. Armsby Company, said predecessor of complainant thereupon and on or about the day of June, 1915, brought suit in the United States District Court, in and for the Southern District of New York, against two individuals residing in the said district of New York, who were at that time using said trade-mark "Sun-Maid" in said district in connection with the sale of raisins which had been produced by said California Associated Raisin Company and sold to said individuals by said California Associated Raisin Company; admits that in said suit said, The J. K. Armsby Company, claimed that said use was an infringement upon the rights of said, The J. K. Armsby Company, in, to or in connection with said trade-mark "Sun-Kist" alleged to have belonged to said, The J. K. Armsby Company, and that company in said suit prayed for an injunction against the said defendants using said trade-mark "Sun-Maid." [38]

Defendant is without knowledge as to whether, on the 8th day of November, 1916, or any other date or at all, said The J. K. Armsby Company assigned and transferred to complainant, all of its rights to use the said trade-mark "Sun-Kist" and all of its interest in and to said suit.

Denies on information and belief that thereafter or on or about the 10th day of March 1917, or while said suit was pending in said court, or at any other time, or at all, the said California Associated Raisin Company desired that its right to use the said trade-mark "Sun-Maid" in connection with packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, should be established as against said, The J. K. Armsby Company, or complainant, or to that end, or at all, that said California Associated Raisin Company desired to procure a dismissal of said suit or that it entered into a written agreement on said last-named date or at any other time, or at all, with complainant and said, The J. K. Armsby Company, and others, wherein or whereby it was covenanted or agreed by all or any of said parties to said alleged agreement that said suit should be dismissed or that no claim should ever be made thereafter by the said, The J. K. Armsby Company, or by complainant, to the effect that the said trade-mark "Sun-Maid" when used in connection with the packing or sale of raisins or other food products or confections containing raisins, interfered with the trade-mark "Sun-Kist" alleged to be formerly owned and used by the said, The J. K. Armsby Company, or then, at the time said alleged agreement was so entered into owned or used by complainant; denies on information and belief that in consideration thereof, or for any other reason, or at all, the said California Associated Raisin Company on its part covenanted or agreed in or by said agreement

that it would use the said trade-mark "Sun-Maid" "only on packages containing raisins or on [39] packages containing food products or confections made wholly or in part from raisins" or that if it, the said California Associated Raisin Company should sell or assign said trade-mark "Sun-Maid" the buyer or assignee should only have the right to use the said trade-mark "to the extent" that said California Associated Raisin Company had "the right to use the same" under said alleged agreement. Denies on information and belief that it was furthermore, or at all, provided in said alleged agreement that nothing therein contained should be construed to require the said, The J. K. Armsby Company, or complainant, to relinquish its right to the use of the said trade-mark "Sun-Kist" in connection with the packing or sale of raisins or other food products.

Admits that complainant the said, The J. K. Armsby Company, caused said suit to be dismissed on or about the 18th day of April, 1917, but is without knowledge as to whether such dismissal was in accordance with said alleged agreement and denies on information and belief that said alleged contract has ever since been and is now or ever was in full or any other force or effect, or that complainant, or said, The J. K. Armsby Company, have ever duly or otherwise, or at all, performed all or any of the conditions of said alleged contract on their part, or on the part of either of them, to be performed.

10.

Answering Paragraph X of said bill of complaint, defendant denies on information and belief as aforesaid, that said contract was ever made, but admits that said California Associated Raisin Company continued to carry on its said business under its said name until the 17th day of February, 1922, on which day it changed its name to Sun-Maid Raisin Growers, and admits that thereafter said corporation, under the name of Sun-Maid Raisin Growers, continued to carry on said business until [40] on or about the 8th day of November, 1923, and thereafter; admits that on or about the 8th day of November, 1923, said Sun-Maid Raisin Growers assigned and transferred unto Sun-Maid Raisin Growers of California, defendant herein, its right, title and interest, in and to said trade-mark "Sun-Maid" together with the business and goodwill thereof of said Sun-Maid Raisin Growers, in connection with which business and goodwill said trade-mark was then being or had been used, but denies on information and belief that said Sun-Maid Raisin Growers thereupon went out of business or has ever since continued to do no business, and in that respect defendant alleges on information and belief that said Sun-Maid Raisin Growers is still an existing corporation. Admits that the defendant has ever since carried on and does now carry on a portion of the business formerly carried on by said Sun-Maid Raisin Growers. Admits that said Sun-Maid Raisin Growers of California, the defendant herein, by virtue of said assignment and transfer from

said Sun-Maid Raisin Growers acquired and has ever since owned and now owns said trade-mark "Sun-Maid," but denies that the use thereof was in any way agreed upon or limited in and by said alleged agreement of March 10, 1917, or by any other agreement, or at all, and denies that said California Associated Raisin Company or said Sun-Maid Raisin Growers of California has never acquired or never owned greater rights to the use of said trade-mark "Sun-Maid," than alleged to have been agreed upon or limited by said alleged agreement as aforesaid.

Admits that thereafter, to wit, on or about the first day of January, 1929, the defendant was using the trade-mark "Sun-Maid" upon canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup, and upon many other food products, all of which are articles of foods and ingredients of foods, but [41] denies that it began using such trade-mark, on said products on said last-named date and alleges that it so began, long prior to January 1, 1929; denies that such use is in violation of any of complainant's alleged rights, or that all of said goods are essentially or otherwise of the same class or particular description as to the goods alleged to be selected, prepared or marketed by said, The J. K. Armsby Company or by complainant under the trade-mark "Sun-Kist" at the time said alleged agreement of March 10, 1917, was alleged to have been entered into, or for a long time prior thereto or ever since. Admits that said defendant

has sold or caused to be sold and is now selling or causing to be sold, said goods throughout the United States and elsewhere, under the trade-mark "Sun-Maid."

Admits that on or about the 4th day of March, 1929, complainant notified the defendant that its said use of the trade-mark "Sun-Maid," in connection with said canned goods, canned fruits or food products, other than raisins or confections made wholly or in part of raisins, was contrary to defendant's rights and obligations and in violation of complainant's rights under said alleged agreement of March 10, 1917, and that complainant demanded that defendant desist from continuing said use, but alleges that this notice was the first time defendant had ever heard of the alleged contract respecting said "Sun-Maid" trade-mark made or entered into on or about March 10, 1917. Admits that thereafter and on or about the 15th day of March, 1929, the defendant notified complainant that said agreement was not binding upon it, but was binding only, if at all, upon said California Associated Raisin Company, and admits that defendant refused to desist or discontinue what is alleged to be violations of said alleged contract, and admits that defendant asserts the right to continue the same, and defendant has ever since continued to and does now use said [42] trade-mark "Sun-Maid" upon canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup and many other food products or confections not made wholly or in part from raisins

but denies that such continued use will be or ever has been to the great or irreparable or any other damage or injury of complainant.

11.

Answering Paragraph XI of said bill of complaint, defendant denies that the word or words "Sun-Kist" and "Sun-Maid" closely resemble each other in sound or suggestiveness in connection with foods or food products, and denies that the name "Sun-Maid" is frequently, or at all, mistaken for or confused with the name or trade-mark "Sun-Kist" alleged to be owned by complainant and alleged to be used in connection with the sale of complainant's goods. Denies that the use of said trade-mark "Sun-Maid" would or does deceive the public or cause purchasers to buy the goods of defendant in belief that the said goods are the alleged "Sun-Kist" goods of complainant, alleged to have been long-known and in demand, and as and for the goods of complainant, and denies that the use thereof has promoted or will promote mistake, confusion or fraudulent substitution or the division, diversion or destruction of complainant's alleged goodwill or business or will jeopardize the alleged goodwill or reputation which complainant is alleged to have built up through many years of effort or large expenditures of money. [43]

12.

Answering Paragraph XII of said bill of complaint, defendant denies on information and belief

that the value of said alleged goodwill of complainant's business of preparing or marketing its food products under its said alleged trade-mark "Sun-Kist" is more than one million dollars, or of any value whatsoever, or that by the acts of defendant said complainant's business has been interfered with or damaged or continues to be or ever was interfered with or damaged to the extent of more than three thousand dollars or to any other sum or at all.

13.

For a further and separate defense, defendant alleges that neither complainant nor the J. K. Armsby Company is the exclusive owner of the word "Sun" for trade-mark use and that such word has been commonly and extensively used by others as a trade-mark applied to foods and ingredients of foods, either alone or part of a composite mark, long prior to the alleged adoption and first use of the word "Sun-Kist" by said The J. K. Armsby Company, as appears from the following trade-mark registrations in the United States Patent Office:

No. 9420, May 30, 1882, H. Denny & Sons;

No. 12474, August 4, 1885, P. D. Gwaltney & Company;

No. 33267, July 25, 1899, Wisconsin Condensed Milk Company;

No. 35435, November 13, 1900, The American Cotton Oil Company;

No. 39181, November 4, 1902, Alsaska Packers Association;

No. 45259, August 8, 1905, The Gwaltney-Bunkley Peanut Company;

No. 53653, June 5, 1906, Philip Wunderle;

No. 60249, February 5, 1907, The Albert Dickinson Company;

No. 61039, March 5, 1907, The American Cotton Oil Company;

No. 61796, April 2, 1907, Wisconsin Condensed Milk Company;

No. 43082, August 2, 1904, Hubbard Milling Company;

No. 60229, February 5, 1907, Ross W. Weir & Company;

No. 8459, July 12, 1881, Farmers Fruit Preserving Company;

No. 14845, October 18, 1887, P. Wunderle;

No. 14995, December 6, 1887, Bennet Day & Company;

No. 26755, July 2, 1895, David Stewart; [44]

No. 44002, January 17, 1905, Dwight M. Baldwin, Jr.;

No. 12612, September 29, 1885, H. H. Warner;

No. 18164, July 8, 1890, W. B. Timms;

No. 20075, August 25, 1891, John L. Rodgers & Company;

No. 15458, May 13, 1888, Cobb, Wight & Company;

No. 41407, November 3, 1903, The Robert F. Mackenzie Company;

No. 48516, January 2, 1906, The Robert F. Mackenzie Company;

No. 60292, February 5, 1907, National Candy Company;

No. 43881, December 20, 1904, Sunbrights California Food Company;

No. 46863, October 10, 1905, Sunbrights California Food Company;

No. 49685, February 13, 1906, Sunbrights California Food Company;

No. 40935, August 18, 1903, Harvey Lockie & Company;

No. 60119, January 29, 1907, Ross W. Weir & Company;

No. 9433, June 6, 1882, H. Denny & Sons;

No. 27280, November 10, 1895, Curtis P. Upshur;

No. 31494, April 26, 1898, Sarah A. Yost;

No. 37936, March 11, 1902, The Dolan Mercantile Company;

No. 40104, April 14, 1903, The Queen City Creamery Company;

No. 41713, December 22, 1903, The Dolan Mercantile Company;

No. 49929, February 20, 1906, Yost Yeast Company;

No. 52515, May 8, 1906, The Dolan Mercantile Company;

No. 60651, February 19, 1907, The Dolan Mercantile Company;

No. 64135, July 23, 1907, The Dolan Mercantile Company;

No. 65375, September 24, 1907, August L. Jaenicke;

No. 41115, September 15, 1903, The Sunland Orchard Company;

No. 26096, February 19, 1895, National Milling Company ;

No. 27956, March 17, 1896, The Waterloo Yeast Company ;

No. 50369, March 13, 1906, George Frank ;

No. 54427, June 26, 1906, George Frank ;

No. 56340, September 11, 1906, Sunlight Hominy Company ;

No. 44025, January 24, 1905, The Force Food Company ;

No. 55816, August 21, 1906, The Force Food Company ;

No. 31049, December 28, 1897, New York Condensed Milk Company ;

No. 39035, October 14, 1902, The T. A. Snider Preserve Company ;

No. 49670, February 13, 1906, Portland Packing Company ;

No. 19625, June 2, 1891, Portland Packing Company ;

No. 21387, June 28, 1892, L. J. Rose & Company, Ltd. ;

No. 31830, August 2, 1898, Byrd G. Pollard ;

No. 32420, January 24, 1899, Swift & Company ;

No. 52761, May 15, 1906, Russell & Company ;

No. 54584, June 26, 1906, Albert Edward Tate ;

No. 42591, May 10, 1904, Kentucky Refining Company ;

No. 57687, November 27, 1906, A. H. Herrick & Son ;

No. 66384, November 26, 1907, Bosman & Lohman Company ;

No. 17930, May 20, 1890, Joseph Tetley & Co.;

No. 58636, December 18, 1906, Consumers' Coffee Co. of No. O. Ltd.;

No. 80208, November 22, 1910, Norval Landon Burchell;

No. 82823, July 25, 1911, Woolson Spice Company;

No. 91450, May 6, 1913, Austin, Nichols & Co.;

No. 93576, September 23, 1913, The Woolson Spice Co.;

No. 102051, January 26, 1915, Check-Neal Coffee Co.;

No. 110108, May 2, 1916, Joseph Tetley & Co. Inc.;

No. 118395, September 4, 1917, Edmands Coffee Company;

No. 123327, October 29, 1918, The Brundage Brothers Company. [45]

14.

For a further and separate defense, defendant alleges that neither complainant nor The J. K. Armsby Company is the exclusive owner of the word "Sun-Kist" for trade-mark use and that such word has been commonly and extensively used by others as a trade-mark applied to foods and ingredients of foods, either alone or as part of a composite mark, as appears from the following trade-mark registrations in the United States Patent Office:

No. 72087 (Renewed), January 5, 1909, California Fruit Growers Exchange, Los Angeles, California, for oranges;

No. 85069, January 30, 1912, California Fruit Growers Exchange, Los Angeles, California, lemons;

No. 117107, June 19, 1917, California Fruit Growers Exchange, Los Angeles, California, for citrus fruits;

No. 92809, July 29, 1913, Maney Milling Company, wheat flour;

No. 102222, January 26, 1915, Ward Baking Company, cakes;

No. 111055, June 20, 1916, Redbanks Orchard Company, table grapes;

No. 176568, November 27, 1923, Sunkist Lemon Pie Company, lemon meringue pies.

15.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid" and "Sun-Kist" as trade-marks applied to foods and ingredients of foods, and that the United States Patent Office, notwithstanding previous trade-mark registrations of "Sun-Kist" as applied to foods and ingredients of foods has consistently and repeatedly allowed and registered the trade-mark "Sun-Maid" to defendant as applied to foods and ingredients of foods. [46]

16.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid" and "Sun-Kist," as trade-marks applied to foods and ingredients of foods, and that such lack of

deceptive similarity and public confusion was admitted by complainant and said The J. K. Armsby Company in said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, defendant alleging on information and belief that such agreement provides that said California Associated Raisin Company and said The J. K. Armsby Company may continue to use respectively the trade-marks "Sun-Maid" and "Sun-Kist" as applied to raisins.

17.

For a further and separate defense, defendant alleges that there is no deceptive similarity nor possibility of public confusion between "Sun-Maid" and "Sun-Kist" as trade-marks applied to foods and ingredients of foods, and that such lack of deceptive similarity and public confusion was admitted by complainant and said The J. K. Armsby Company, and settled by decree of court, when the suit brought in the United States District Court for the Southern District of New York, and more specifically referred to in Paragraph IX of the bill of complaint herein, was dismissed by complainant therein on or about April 18, 1917.

18.

For a further and separate defense, defendant alleges on information and belief, that since March 10, 1917, the date of said alleged agreement, California Associated Raisin Company (later changed to Sun-Maid Raisin Growers) and Sun-Maid Raisin

Growers of California, defendant herein, on one hand, and [47] The J. K. Armsby Company and California Packing Corporation, complainant herein, on the other hand, have continuously, extensively, and competitively used the trade-marks "Sun-Maid" and "Sun-Kist" respectively, as applied to raisins and said Sun-Maid Raisin Growers of California and said California Packing Corporation are now so using the respective trade-marks "Sun-Maid" and "Sun-Kist" as applied to the same product, namely raisins, without any confusion resulting.

19.

For a further and separate defense, defendant alleges that its right to use the trade-mark "Sun-Maid," as applied to canned goods, canned fruits, canned vegetables, catsup, jam, jelly, canned soup and upon certain other food products, was not acquired by assignment or otherwise from said California Associated Raisin Company, but by reason of defendant's own adoption and first use thereof on said products.

20.

For a further and separate defense, defendant alleges that its right to use the trade-mark "Sun-Maid" as applied to rice, extracts, fish, cereals, tea, coffee, spices, and certain other food products, was not acquired by assignment or otherwise from California Associated Raisin Company, but by reason of adoption and first use thereof by San Joaquin Grocery Co. and its predecessors, of Fresno, California, on or about January 16, 1916, which trade-

mark as applied to said products and goodwill connected therewith was assigned to defendant herein on or about August 11, 1924. [48]

21.

For a further and separate defense, defendant alleges on information and belief that said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, is void and not binding on defendant herein by reason of constituting undue restraint of trade and as being against public policy.

22.

For a further and separate defense, defendant alleges on information and belief that the said alleged agreement dated March 10, 1917, if in fact such agreement was ever made as stated in the bill of complaint herein, is binding, if at all, only upon the parties thereto and any person, firm, or corporation, to which said California Associated Raisin Company might thereafter issue a license to use said trade-mark "Sun-Maid," but that it is specifically provided in said alleged agreement that nothing therein contained should be construed to limit the right of said California Associated Raisin Company to sell or assign said trade-mark.

23.

For a further and separate defense, defendant alleges that complainant herein is estopped, because of laches and unreasonable delay in bringing this suit, by reason of the following facts, to wit:

The trade-mark "Sun-Maid" was adopted and first used by San Joaquin Grocery Co. and its predecessors, as applied to food flavoring extracts, canned fish, nuts in their natural state, table sirup, mincemeat, cornstarch, canned meats, canned corned beef, [49] rice, pickles, sauces for food flavoring purposes, vinegar, edible oil, molasses, breakfast cereals, teas, coffees, and spices, as early as January 16, 1916; thereafter and on or about June 20, 1923, said San Joaquin Grocery Co. filed an application in the United States Patent Office, for registration of said trade-mark "Sun-Maid," applied to said products above named; thereafter such application for registration was allowed by the United States Patent Office and said trade-mark "Sun-Maid" was published on June 3, 1924, in the Official Gazette of the Patent Office, Vol. 323, page 13; thereafter and on or about August 11, 1924, said San Joaquin Grocery Co. assigned and transferred said trade-mark "Sun-Maid" used as aforesaid, together with the goodwill in connection therewith, to Sun-Maid Raisin Growers of California, defendant herein, and said trade-mark was duly registered in the name of defendant on or about January 6, 1925, as No. 193,753; thereafter and on or about February 13, 1926, said Sun-Maid Raisin Growers of California adopted and first used the trade-mark "Sun-Maid" as applied to baking powder and on or about December 22, 1926, filed an application in the United States Patent Office, for registration of said trade-mark as applied to baking powder; there-

after such application for registration was allowed by the United States Patent Office and said trade-mark "Sun-Maid" was published on February 8, 1927, in the Official Gazette of the Patent Office, vol. 355, page 221, and duly registered by defendant on or about April 19, 1927, as No. 226,774.

The use of said trade-mark "Sun-Maid" on all of the aforesaid products, and on many other food products, has been continuously, and publicly carried on by San Joaquin Grocery Co. and by Sun-Maid Raisin Growers of California in the regular course of trade, since the adoption and first use thereof by the respective companies as aforesaid. and said trade-mark "Sun-Maid" is now so being used [50] by Sun-Maid Raisin Growers of California, representing a valuable goodwill and trade-mark right.

Defendant alleges on information and belief that complainant herein has subscribed to said Official Gazette for more than six years last past, and through its officers and employees saw and knew of said trade-mark publications and registrations of the trade-mark "Sun-Maid" applied to food products other than raisins and that said complainant as early as January 16, 1916, and continuously thereafter, through its officers and employees, saw and knew that said trade-mark "Sun-Maid" was being publicly used, first by San Joaquin Grocery Co. and later by defendant herein, in the regular course of trade, on the products above specifically named and on many other food products, but not-

withstanding said knowledge, said complainant made no protest or complaint of any kind or character to defendant herein, until on or about the 4th day of March, 1929, when defendant was notified as alleged in Paragraph X of the bill of complaint herein.

24.

As a separate and complete defense to the cause of action alleged in the bill of complaint this defendant avers that the complainant does not come into equity with clean hands for the following reasons: Complainant alleges in Paragraph IV of said bill of complaint that it acquired its right to the alleged trade-mark "Sun-Kist" from The J. K. Armsby Company and that it is the successor in business of The J. K. Armsby Company which, it is alleged, carried on a business similar to that of complainant and created a very valuable goodwill under said alleged trade-mark "Sun-Kist," and in Paragraph VI that the said goods to which The J. K. Armsby Company applied its said trade-mark "Sun-Kist" were carefully selected and prepared and were of superior excellence and acquired a reputation and demand and embodied the skill, care and [51] probity prevailing in the business of said The J. K. Armsby Company, and that complainant acquired the business goodwill and trade-marks of the said The J. K. Armsby Company on the 8th day of November, 1916. It is nowhere alleged in the said bill of complaint that the complainant in connection with its alleged trade-mark "Sun-Kist" ever announced its successorship to The J. K.

Armsby Company, and the fact is that it has never done so. A specimen of complainant's "Sun-Kist" label is filed herewith as defendant's Exhibit "A."

Wherefore complainant does not come into equity with clean hands and its bill should be dismissed.

25.

As a separate and complete defense to the cause of action alleged in the bill of complaint this defendant avers that complainant does not come into equity with clean hands for the following reasons: It is alleged in said bill of complaint that on or about the day of June, 1915, the said The J. K. Armsby Company brought suit in the United States District Court in and for the Southern District of New York against two individuals residing in the said district of New York who were at that time using the trade-mark "Sun-Maid" in said district in connection with the sale of raisins which had been produced by said California Associated Raisin Company; that in said suit said The J. K. Armsby Company claimed that use of the name "Sun-Maid" was an infringement upon the rights of said The J. K. Armsby Company in, to or in connection with said trade-mark "Sun-Kist" alleged to belong to said The J. K. Armsby Company and that The J. K. Armsby Company in said suit prayed for an injunction against the said defendant's use of the said trade-mark "Sun-Maid"; that thereafter a written agreement was entered into with the complainant and said The J. K. Armsby Company and

the defendants to said suit and [52] others, wherein and whereby it was covenanted and agreed by all of the said parties to said agreement that said suit should be dismissed and that the defendants should continue to use the trade-mark "Sun-Maid" in connection with the packing and sale of raisins and other food products and confections containing raisins; and that neither The J. K. Armsby Company nor complainant should be required to relinquish its right to the use of the said trade-mark "Sun-Kist" in connection with the packing and sale of raisins or other food products.

In its bill of complaint in Paragraph XI thereof, complainant alleges that the words "Sun-Kist" and "Sun-Maid" closely resemble each other and that the use of the trade-mark "Sun-Maid" would and does deceive the public and cause purchasers to buy the goods of defendant in the belief that the said goods are the "Sun-Kist" goods of complainant and that the use thereof has promoted and will promote mistake, confusion and fraudulent substitution.

Therefore the complainant by the contract aforesaid, upon its own allegations has permitted the use of the word "Sun-Maid" upon raisins with the result according to its own statement that such use results in and promotes deception and fraud upon the public. The said contract is therefore void as against public policy and complainant's claiming rights thereunder bases its claim upon an arrangement to which it is a party, which according to its

own statement results in deception of the public and fraud. Therefore complainant does not come into equity with clean hands and its bill should be dismissed.

Wherefore defendant prays that said bill of complaint be dismissed with costs to defendant.

SUN-MAID RAISIN
GROWERS OF CALIFORNIA,

By /s/ MILLER & BOYKEN,
Its Solicitors.

/s/ JOHN H. MILLER,

/s/ A. W. BOYKEN,

/s/ E. S. ROGERS,

/s/ ALLEN M. REED,

Of Counsel.

SUN-KIST

BRAND

NET WEIGHT
1 LB. 4 OZ.



SELECTED
MEDIUM SIZE FRUIT
PACKED IN HEAVY SYRUP

YELLOW CLING PEACHES

QUALITY

From the Land of Sunshine
CALIFORNIA

FRUIT'S

SUN-KIST

YELLOW CLING PEACHES
PACKED IN FOUR SIZES

NO. 2 1/2 CAN

EXTRA LARGE FRUIT

NO. 2 1/4 CAN

LARGE SIZE FRUIT

NO. 2 CAN

SELECTED

MEDIUM SIZE FRUIT

NO. 1 CAN

SELECTED

SMALL SIZE FRUIT

CALIFORNIA

PACIFIC CORPORATION

MADE IN U.S.A.

SAN FRANCISCO
CALIFORNIA U.S.A.
PACKED IN U.S.A.

SUN-KIST

BRAND

NET WEIGHT
1 LB. 4 OZ.



SELECTED
MEDIUM SIZE FRUIT
PACKED IN HEAVY SYRUP

YELLOW CLING PEACHES

Endorsed: Filed June 9, 1930.

[Title of District Court and Cause.]

FINDINGS OF FACT AND
CONCLUSIONS OF LAW

The Court makes the following findings of fact and conclusions of law in accordance with Rule 70½:

Findings of Fact

1.

Complainant, California Packing Corporation, is, and at all times mentioned in the bill of complaint, has been, a corporation organized and existing under the laws of the State of New York.

2.

Defendant, Sun-Maid Raisin Growers of California, is, and at all times mentioned in the bill of complaint, has been, a corporation organized and existing under the laws of the State of California, having its principal place of business in the City of Fresno, and within the Southern District of California.

3.

This is a suit of a civil nature in equity, wherein the matter in controversy exceeds, exclusive of interest and costs, the sum of Three Thousand Dollars (\$3,000). [55]

4.

Complainant is the successor in business of The J. K. Armsby Company, a corporation organized under the laws of the State of Illinois.

5.

The J. K. Armsby Company had used, and complainant is now using, the trade-mark "Sun-Kist" in interstate commerce for many kinds of food products. Said trade-mark has been registered in the United States Patent Office.

6.

Defendant has used the trade-mark "Sun-Maid" in interstate commerce for many kinds of food products. Said trade-mark has also been registered in the United States Patent Office.

7.

On or about March 10, 1917, California Associated Raisin Company made and entered into a written agreement, in evidence herein, with Griffin & Skelley Company, a corporation, and California Fruit Cannery Association, a corporation, which said agreement relates in part to the use of said trade-mark "Sun-Maid," said agreement being also adopted and approved by complainant and said The J. K. Armsby Company on March 10, 1917.

8.

On February 17, 1922, the California Associated Raisin Company changed its name to Sun-Maid Raisin Growers. On August 1, 1923, Sun-Maid Raisin Growers sold the trade-mark "Sun-Maid" as applied to raisins, and the business and goodwill associated therewith, to defendant, Sun-Maid Raisin Growers of California, a co-operative non-profit corporation organized under California law on May

29, 1923. On January 3, 1924, Sun-Maid Raisin Growers was adjudicated bankrupt and Milo L. Rowell was appointed trustee. Rowell, on June 9, 1924, assigned to defendant [56] the "Sun-Maid" trade-mark and all registrations of it. This assignment was confirmed by the bankruptcy court on July 19, 1924, which order also recited and confirmed the assignments previously made by the bankrupt as above stated. These were attached and by reference made part of the order. Other assets of Sun-Maid Raisin Growers valued at \$6,000,000, its plant, equipment and personal property other than raisins, were sold to a Delaware corporation organization on March 26, 1923.

9.

Defendant acquired the "Sun-Maid" trade-mark and the appurtenant business and goodwill from the Sun-Maid Raisin Growers, which was the successor of California Associated Raisin Company, in good faith and for a valuable consideration.

10.

Defendant had no knowledge of the existence or terms of the agreement of March 10, 1917, or of any claim by complainant for infringement of the "Sun-Kist" trade-mark until sometime during the year 1929 when, for the first time, said contract was called to defendant's attention by complainant, and complainant then notified defendant to desist from using the "Sun-Maid" trade-mark on non-raisin goods.

11.

Complainant ever since approximately March 10, 1917, has had said contract in its possession and has been at all times familiar with its terms.

12.

Prior to the year 1929, complainant permitted defendant, without objection or remonstrance, publicly to claim ownership in the "Sun-Maid" trade-mark for non-raisin goods, and with knowledge of defendant's use on non-raisin goods permitted defendant to build up a substantial market for [57] food products, including non-raisin goods bearing the trade-mark "Sun-Maid," as is more fully set forth in the Memorandum of Decision on file herein.

13.

Complainant, since 1918, has had knowledge, actual or constructive, of the claim of ownership by registrations, issued or assigned to defendant, of the trade-mark "Sun-Maid" applied to food products other than those composed of or containing raisins, and since 1926, of defendant's sale of goods other than raisins bearing the trade-mark "Sun-Maid."

14.

The word "Sun" is and has been, long prior to complainant's adoption thereof, in widespread use as a part of trade-marks applied to food products ordinarily dealt in by grocers, and has been registered in the Patent Office as a part of trade-marks by other parties than the parties hereto, who have

used that word prior to the use by the parties hereto on a wide range of food products.

15.

The name "Sun-Maid," both with and without the Sun-Maid girl picture, indicates and is understood to indicate in the grocery trade and to the public, that the goods to which it is applied come from the defendant.

16.

Defendant in this case has not acted fraudulently and is not seeking to take advantage of complainant's reputation or the reputation of its "Sun-Kist" goods. Defendant is acting in good faith and there is no confusing similarity between the two trademarks in suit. The use by defendant of the trademark "Sun-Maid" is not likely to, and does not, produce any confusion or mistake, or represent directly or indirectly that defendant's goods come from complainant.

Conclusions of Law

1.

This Court has jurisdiction of the parties hereto and the subject matter of this cause.

2.

The word "Sun-Maid" is not an infringement of "Sun-Kist" when both are used on goods of the same descriptive properties.

3.

Complainant, by its laches and acquiescence, is estopped from enforcing against defendant the provisions of the contract of March 10, 1917.

4.

Defendant has the right to use its "Sun-Maid" trade-mark on and as applied, not only to raisin goods, but to non-raisin goods.

5.

Complainant is not entitled to an injunction restraining the use by defendant of its trade-mark "Sun-Maid" upon its non-raisin goods.

6.

Complainant is not entitled to the relief prayed for in its bill of complaint, or any part thereof, or to any relief whatsoever.

7.

Said bill of complaint should be dismissed for want of equity and defendant should recover its costs of suit.

Dated: March 26th, 1934.

/s/ PAUL J. McCORMICK,
U. S. District Judge.

Receipt of Copy acknowledged.

[Endorsed]: Filed March 26, 1934. [58]

[Title of District Court and Cause.]

FINAL DECREE OF DISMISSAL

This cause came on to be heard at this term and was argued by counsel and submitted for decision; and upon consideration thereof, the Court having filed its Memorandum of Decision, and its separate findings of fact and conclusions of law, it is hereby

Ordered, Adjudged and Decreed that the bill of complaint herein be and the same is hereby dismissed with costs to defendant taxed in the sum of \$137.30

Dated: March 26th, 1934.

/s/ PAUL J. McCORMICK,
U. S. District Judge.

Approved as to form: (Rule 44).

PILLSBURY MADISON &
SUTRO,
Attorneys for Complainant.

[Endorsed]: Filed and entered March 26, 1934.

United States Circuit Court of Appeals
for the Ninth Circuit

No. 7701

CALIFORNIA PACKING CORPORATION,
a Corporation,

vs.

SUN-MAID RAISIN GROWERS OF CALI-
FORNIA, a Corporation.

MANDATE

United States of America, ss:

The President of the United States of America

To the Honorable the Judges of the District Court
of the United States for the Southern District
of California, Northern Division—Greeting:

Whereas, lately in the District Court of the United States for the Southern District of California, Northern Division, before you, or some of you, in a cause between California Packing Corporation, a corporation, complainant, and Sun-Maid Raisin Growers of California, a corporation, defendant, In Equity No. C-104-M, a Final Decree was duly filed and entered on the 26th day of March, 1934, which said Decree is of record and fully set out in said cause in the office of the clerk of the said District Court, to which record reference is hereby made and the same is hereby expressly made a part hereof, and as by the inspection of the Tran-

script of the Record of the said District Court, which was brought into the United States Circuit Court of Appeals for the Ninth Circuit by virtue of an appeal prosecuted by California Packing Corporation, a corporation, as appellant, against Sun-Maid Raisin Growers of California, a corporation, as appellee, agreeably to the Act of Congress in such cases made and provided, fully and at large appears:

And Whereas, on the 24th day of April in the year of our Lord One Thousand, Nine Hundred and Thirty-five the said cause came on to be heard before the said Circuit Court of Appeals, on the said Transcript of the Record and was duly argued and submitted. [63]

On Consideration Whereof, it is now here ordered, adjudged and decreed by this Court that the decree of the said District Court in this cause be, and hereby is reversed, with costs in favor of the appellant and against the appellee.

It is further ordered, adjudged and decreed by this Court, that the appellant recover against the appellee for its costs herein expended and have execution therefor. (February 3, 1936.)

You, Therefore, Are Hereby Commanded, That such execution and further proceedings be had in the said cause in accordance with the opinion and decree of this court, and as according to right and justice and the laws of the United States ought to

be had, the said decree of the said District Court notwithstanding.

Witness, the Honorable Charles E. Hughes, Chief Justice of the United States, the 25th day of May, in the year of our Lord One Thousand Nine Hundred and thirty-six.

/s/ PAUL P. O'BRIEN,
Clerk of the United States Circuit Court of Appeals
for the Ninth Circuit.

Amount of Costs Allowed and Taxed

In favor of appellant and against appellee as per Annexed Bill of Items, Taxed in Detail: \$337.54.

/s/ PAUL P. O'BRIEN,
Clerk.

[Endorsed]: Filed June 15, 1936. [64]

[Title of District Court and Cause.]

MINUTE ENTRY

June 15, 1936

This cause coming on for hearing on Motion for order for filing and spreading Mandate and for Decree on Mandate, pursuant to notice filed June 1, 1936; L. B. Groezinger, Esq., appearing for the plaintiff, moves that the Mandate be filed and spread upon the minutes of this court, whereupon, there being no appearance in opposition, the Court orders said motion granted, and the Mandate, re-

versing the Decree of this court, is ordered filed and spread; said Mandate being as follows, to wit:

* * *

A Decree pursuant to the Mandate is now presented to the Court, and having been signed, is ordered filed and entered herein, to wit:

* * *

12/603 [66]

[Title of District Court and Cause.]

FINAL DECREE

The above-named California Packing Corporation, the complainant in the above-entitled cause, having duly appealed to the United States Circuit Court of Appeals for the Ninth Circuit from the final decree made and entered herein on the 26th day of March, 1934, dismissing the bill of complaint; the said United States Circuit Court of Appeals for the Ninth Circuit having duly heard the said appeal upon the transcript of the record and having reversed the said decree of the District Court of the United States for the Southern District of California, Northern Division, with costs, and having ordered, adjudged and decreed that said complainant recover against said defendant \$337.54 for its costs in said United States Circuit Court of Appeals for the Ninth Circuit and that it have execution therefor; the said United States Circuit Court of Appeals for the Ninth Circuit having re-

manded the said cause to the said district court with instructions that this court take such further proceedings in conformity to the opinion and decree of said court as according to right and justice and the laws of the United States ought to be had, the said appeal notwithstanding, which order, decree, opinion and instructions appear to this court by the mandate of the said United States Circuit Court of Appeals for the Ninth Circuit. [67]

Now, Therefore, it is Ordered that said mandate be filed herein and spread upon the minutes of this court, and on reading and filing said mandate and in pursuance thereof,

It is Ordered, Adjudged and Decreed that this court, by virtue of the power and authority therein vested, and in obedience to the said mandate, doth order, adjudge and decree that the decree made and entered herein, dated March 26, 1934, be, and it is hereby, vacated and set aside; and

It is further Ordered, Adjudged and Decreed that an injunction issue herein perpetually enjoining and restraining the defendant, its agents and servants, and all claiming and holding through or under it, from using the trade-mark "Sun-Maid" otherwise than on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, provided that such injunction shall not enjoin or restrain defendant from using its present corporate name; and

It is further Ordered, Adjudged and Decreed

that complainant have execution for its costs of appeal in the amount of \$337.54, and that complainant take nothing in the way of damages against defendant but that complainant also recover its costs in this court taxed at \$156.55.

Dated: June 15th, 1936.

/s/ PAUL J. McCORMICK,
United States District Judge.

Approved as to form, as provided in Rule 44.

/s/ E. S. ROGERS,
/s/ MILLER & BOYKEN,
Attorneys for Defendant.

[Endorsed]: Filed and entered June 15, 1936.

[Title of District Court and Cause.]

WRIT OF INJUNCTION

United States of America,
Southern District of California—ss.

The President of the United States of America to
Sun-Maid Raisin Growers of California, Its
Agents and Servants, and All Claiming and
Holding Through or Under It, Greeting:

Whereas California Packing Corporation has filed
on the equity side of the District Court of the

United States for the Southern District of California, Northern Division, a bill of complaint against Sun-Maid Raisin Growers of California, and has obtained an allowance for an injunction as prayed for in said bill,

Now, Therefore, we, having regard to the matters in said bill contained, do hereby command and strictly enjoin you, the said Sun-Maid Raisin Growers of California, your agents and servants, and all claiming and holding through or under you, from using the trade-mark "Sun-Maid" otherwise than on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins (nothing herein [70] contained shall enjoin or restrain you, the said Sun-Maid Raisin Growers of California, from using your present corporate name), which commands and injunctions you are respectively required to observe and obey perpetually.

Whereof, fail not under penalty of the law thence ensuing.

Witness, the Honorable Paul J. McCormick, Judge of the District Court of the United States for the Southern District of California, this 15th day of June, 1936, and in the 160th year of the independence of the United States of America.

R. S. ZIMMERMAN,
Clerk of the District Court of the United States for
the Southern District of California.

[Seal] By /s/ EDMUND L. SMITH,
Deputy Clerk.

PILLSBURY, MADISON &
SUTRO,
Attorneys for Complainant.

Return on Service of Writ attached.

[Endorsed]: Filed June 18, 1936. [71]

[Title of District Court and Cause.]

No. C-104-M

State of California,
County of Fresno—ss.

SUPPLEMENTAL AFFIDAVIT OF
EARLE G. GRANGER

Earle G. Granger, being duly sworn, deposes and says that he is Secretary of Sun-Maid Raisin Growers of California, defendant in the above-entitled case; that at the time of trial of said case he was Assistant Secretary of defendant corporation and has been associated with defendant corporation since that time; that he was present at said trial and is familiar with the circumstances surrounding the suit by plaintiff, California Packing Corporation, against defendant corporation and has been cognizant of, and bound by, the injunction issued in

said case by the Honorable Paul J. McCormick on June 15, 1936; that said injunction was based upon ownership and use by plaintiff, California Packing Corporation, of the trade-mark Sun-Kist; that to the best of affiant's knowledge and belief, plaintiff has abandoned the use of the mark Sun-Kist and no longer uses the trade-mark Sun-Kist on either raisin or non-raisin food products, and affiant has been advised and believes that the trade-mark Sun-Kist is no longer the property of plaintiff corporation, having been assigned with [73] the good will of the business pertaining thereto, to Sunkist Growers of Los Angeles, California, for approximately \$1,000,000; that affiant has advised Sunkist Growers of Los Angeles of defendant's desire to have said injunction dissolved and said Sunkist Growers of Los Angeles has informed affiant that the matter is one to be resolved between defendant and plaintiff, and that it desired neither to consent or object thereto; that, in the past, others have attempted, to the detriment of defendant, to use the word Sun-Maid or a colorable imitation thereof, on non-raisin food products; that similar instances of such unauthorized use of the name Sun-Maid are likely to occur in the future; that in affiant's opinion said injunction precludes defendants from taking all necessary preventive steps to stop such unauthorized use of defendant's name in the future.

[Seal] /s/ EARLE G. GRANGER,
Secretary.

Subscribed and sworn to before me this 18th day of January, 1955.

/s/ DOROTHY B. LANDSTROM,
Notary Public in and for the County of Fresno,
State of California.

[Endorsed]: Filed January 21, 1955. [74]

[Title of District Court and Cause.]

MOTION TO DISSOLVE INJUNCTION OR, IN
THE ALTERNATIVE, TO JOIN SUNKIST
GROWERS, INC. AS A PARTY

Comes now defendant, Sun-Maid Raisin Growers of California, and moves this court to dissolve the injunction dated June 15, 1936, and issued by the Honorable Paul J. McCormick, pursuant to a final decree of the same date.

This motion is made on the ground that no justification now exists for continuation of the injunction and defendant will be unjustly damaged as long as said injunction is in effect.

Said injunction was based upon the ownership, by plaintiff, California Packing Corporation, of the trade-mark Sun-Kist and was issued for the purpose of protecting certain rights residing in plaintiff at the date of said injunction by virtue of the ownership and use by plaintiff of said [77] trade-

mark. Since said injunction issued, the trade-mark Sun-Kist has been abandoned by plaintiff, and any rights to the trade-mark Sun-Kist have been assigned or transferred by plaintiff and no longer reside in plaintiff.

Mandate from the Court of Appeals for the Ninth Circuit granting permission to bring this motion has been filed. See also 244 F. 2d 895.

In the alternative, defendant moves that an order issue from this Court joining Sunkist Growers, Inc. (formerly California Fruit Growers Exchange), as a party if the Court finds that it is a necessary or indispensable party.

In support of the motions defendant will rely on the deposition of F. R. Wilcox, General Manager of Sunkist Growers, Inc., taken in Los Angeles on June 6, 1957, and on the existing record in The Court of Appeals.

BOYKEN, MOHLER & WOOD,

By /s/ GORDON WOOD,

Attorneys for Defendant.

San Francisco, California, May 29, 1958.

[Endorsed]: Filed June 4, 1958. [78]

[Title of District Court and Cause.]

OPINION

Appearances:

For the Plaintiff:

PILLSBURY, MADISON & SUTRO,

By GEORGE A. SEARS, Esq.,

San Francisco, California.

For the Defendant:

BOYKEN, MOHLER & WOOD,

By GORDON WOOD, Esq.,

San Francisco, California. [91]

Yankwich, Chief Judge:

This is a motion by the defendant Sun-Maid Raisin Growers of California, to be referred to, at times, as Sun-Maid, to dissolve the injunction issued in this case on June 15, 1936, or, in the alternative, to join Sun-Kist Growers, Inc., as a party. The gist of the demand for relief is stated by the movant substantially in this manner:

The basis for the motion is the general power of the Equity Courts to relieve a person of the effect of an injunction if conditions have changed, and the direct provision of Subdivision (b)(5) of Rule 60 of the Federal Rule of Civil Procedure which authorizes the court to relieve a person from a final judgment when "it is no longer equitable that the judgment should have prospective application

* * *."

I.

The Prior Proceedings

A proper understanding of the motion requires an outline of facts from which the litigation stemmed.

The action was begun on October 16, 1929, by a complaint filed by the plaintiff, California Packing Company, a corporation, seeking to restrain the defendant from using the trade-mark Sun-Maid on any products other than raisins or raisin products. The plaintiff was the owner of the trade-mark Sun-Kist. On June 15, 1915, an action had been instituted in the United States District Court for the Southern District [92] of New York by plaintiff's predecessor, J. K. Armsby Co., against Ernest L. Heebner and Archibald C. Clark. In it, it was alleged that the J. K. Armsby Co. owned the trade-mark Sun-Kist, which was infringed by the trade-mark Sun-Maid used by the defendants. The action was settled by an agreement whereby plaintiff's predecessor granted to Sun-Maid the right to use Sun-Maid on raisins or raisin products only. In the instant suit, it was alleged that the plaintiff had acquired the right of the predecessor to the business then conducted by them, that of preparing and marketing foods and ingredients of foods and the good will, and that the trade-mark of the plaintiff's predecessor was included.

It was alleged that the plaintiff's predecessor had used the trade-mark Sun-Kist from about 1903 to such an extent that, in the mind of the public,

the word Sun-Kist became associated with their products, which included canned fruits, vegetables, jams, jellies and other products, and that the trade-mark was registered on various occasions to cover various products, beginning with the first registration on January 28, 1908, the last one being on October 10, 1916.

On November 8, 1916, the Armsby Company assigned to the plaintiff the right to use the trade-mark Sun-Kist. On March 10, 1917, an agreement was entered into between the then parties to the lawsuit. In consideration of the settlement of the controversy, the California Associated Raisin Company, defendant's predecessor, was given the right to use the name Sun-Maid on raisins and raisin products only. The California [93] Associated Raisin Company changed its name on February 17, 1922, to Sun-Maid Raisin Growers.

In 1923, Sun-Maid Raisin Growers found itself in financial difficulties which led to the determination that it would have to liquidate its business and dispose of its assets. The defendant was organized for the purpose of taking over its raisin packing business. On August 1, 1923, a contract was entered into between the Sun-Maid Raisin Growers and the defendant by which, among other things, it agreed to transfer its raisin packing business and the good will, including the applicable trade-marks. On June 3, 1924, Sun-Maid Raisin Growers was adjudged a bankrupt. In the bankruptcy proceedings, its assets, including the trade-mark Sun-Maid were transferred to the defendant in accordance with the

Agreement of August 1, 1923. Of the effect of this contract, the Court of Appeals has said:

“The appellee (defendant here) claims that it had no knowledge of the agreement of March 10, 1917, and is not bound thereby, and that the agreements contained in that contract to be performed on behalf of its predecessor are covenants which do not run with the personal property assigned and are binding only on the parties to the contract. This contention overlooks the character of the trade-mark and the right to its use. The California Associated Raisin Company, under its own name, the Sun-Maid Raisin Growers, could not convey any right to the use of a trade-mark which it did not own, and that right had been [94] expressly limited by the agreement of March 10, 1917, wherein the parties had agreed to limit the use of that trade-mark to raisins and raisin products. Consequently, the trustee in bankruptcy sold that right and no other. By its agreement to refrain from using the trade-mark ‘Sun-Maid’ on any other than raisin products, it acquired the unquestioned right, so far as the parties here involved were concerned, to the use of that trade-mark on raisin products. The contract of settlement of the divers claims of the parties to the use of the trade-mark ‘Sun-Maid’ and ‘Sun-Kist’ was based upon mutual concessions as to doubtful claims. The appellee has enjoyed the fruits of that contract ever since it was executed and has packed nearly \$250,000,000 worth of raisin products under the trade-mark ‘Sun-Maid.’ The appellee having purchased the rights of one of the

parties to the contract of March 10, 1917, cannot avoid the corresponding burden.” (California Packing Corporation v. Sun-Maid Raisin Growers, 1936, 9 Cir., 81 F. 2d 674, 676-677.) (Emphasis added.)

To continue with the allegations of the Complaint in the present case:

It was alleged that, on January 1, 1929, the defendants had, in violation of the Agreement, applied the word Sun-Maid to canned goods, canned fruits and vegetables and other products [95] of the same class which had been preempted by plaintiff's predecessor under the trade-mark Sun-Kist, in violation of the Agreement of March 10, 1917, and that the similarity between the two trade-marks was such as to create confusion as to the source and sponsorship of the goods.

The Complaint asked that the defendant be enjoined from using the trade-mark Sun-Maid otherwise than on packages containing raisins or raisin products or confections made wholly from raisins.

The Answer, which, in effect, admitted the existence of the contract, denied that the defendant, at the time it acquired, in bankruptcy, the rights of its predecessor, knew of its existence, disputed the claimed confusing similarity between the two trade-marks and pleaded laches.

In other respects, the Answer need not concern us because Judge Paul J. McCormick, in his judgment, found generally in favor of the defendant. His findings, dated March 12, 1934, were preceded by a published opinion, dated February 23, 1934, (California Packing Corp. v. Sun-Maid Raisin

Growers of California, 1934, D.C. Cal., 7 F. Supp. 497) which, in substance, while holding that the defendant did not know of the existence of the contract of March 10, 1917, ruled that it, nevertheless, was bound by it. However, he denied relief upon the ground of laches in failing to institute proceedings against Sun-Maid for the use of the trade-mark on other than raisin products. Certain findings and conclusions of law only are important because they are among the grounds urged for the present motion. They read:

Finding 15: [96]

“The name ‘Sun-Maid’ both with and without the Sun-Maid girl picture, indicates and is understood to indicate in the grocery trade and to the public, that the goods to which it is applied comes from the defendant.”

Finding 16:

“Defendant in this case has not acted fraudulently and is not seeking to take advantage of complainant’s reputation or the reputation of its ‘Sun-Kist’ goods. Defendant is acting in good faith and there is no confusing similarity between the two trade-marks in suit. The use by defendant of the trade-mark ‘Sun-Maid’ is not likely to, and does not, produce any confusion or mistake, or represent directly or indirectly that defendant’s goods come from complainant.”

Conclusions of Law 2 and 4 read:

“2. The word ‘Sun-Maid’ is not an infringe-

ment of 'Sun-Kist' when both are used on goods of the same descriptive properties.

"4. Defendant has the right to use its 'Sun-Maid' trade-mark on and as applied, not only to raisin goods, but to non-raisin goods."

These conclusions were not carried over into the judgment. Absent a counterclaim for declaratory relief (28 U.S.C.A., §§2201, 2202), for the defendant as to the validity or infringement of its mark, the Complaint was ordered dismissed. The decree of dismissal dated March 26, 1934, after a brief preamble, consists of just one short paragraph: [97]

"Ordered, Adjudged and Decreed that the bill of complaint herein be and the same is hereby dismissed with costs to defendant * * *"

On appeal the Court of Appeals for the Ninth Circuit reversed the judgment. (*California Packing Corp. v. Sun-Maid Raisin Growers*, 1936, 9 Cir., 81 F. 2d 674.) The opinion, in effect, held that Sun-Maid was bound by the contract of March 10, 1917. In a brief paragraph, the Court stated the problem:

"The primary question in the case is whether or not the appellee Sun-Maid Raisin Growers of California, is bound by the contract of March 10, 1917." (P. 676.)

The Court found that the contract was binding and that neither laches nor any other equity consideration stood in the way of enforcing it against Sun-Maid.

Upon the mandate of reversal reaching the Court below, apparently without any objection—and in-

deed with the approval of attorneys for the defendant—under the then Local Rule 44, a final decree was entered on June 15, 1936, granting an injunction as originally prayed for in the Complaint, enjoining Sun-Maid from using the trade-mark Sun-Maid otherwise than

“on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, provided that such injunction shall not enjoin or restrain defendant from using its present corporate name.”

No further proceedings were had until December 16, 1954, when the defendant filed a motion identical with the present [98] motion to dissolve the injunction. It alleged, in substance, the same facts as are alleged in the present motion, that the plaintiff has abandoned the use of the trade-mark Sun-Kist and that it appears from a deposition of an officer of the plaintiff that they have no interest in continuing the injunction and generally that it would be inequitable to continue to enforce it prospectively. The matter was heard upon documentary evidence and a deposition, by Judge Peirson M. Hall, who, on the 20th day of January, 1956, entered an Order declining to rule on the merits, but directing the dismissal of the motion, for failure to comply with the requirement that a proceeding to affect a final judgment should be addressed, in the first instance, to the Circuit Court of Appeals which had ordered the judgment entered. An appeal from

that Order was taken, and on January 16, 1957, the Court of Appeals dismissed the appeal as not being from a final order. Considering the proceeding before it as a request for permission to proceed in the District Court, they granted it. (*Sun-Maid Raisin Growers of California v. California Packing Corp.*, 1957, 9 Cir., 244 F. 2d 895.)

Before the Court now is the same motion on practically the same grounds with the added ground that the plaintiff has used the trade-mark Sun-Kist monopolistically and that, for that reason, the further enforcement of the injunction would be inequitable.

II.

Alleged Invalidity of Contract as Monopolistic

In dealing with the validity of the contract, it is to [99] be borne in mind that a contract valid at the time it was entered into cannot be invalidated by conditions developing at a later date. (17 C.J.S., *Contracts*, §210(c).) The decision in this case is based upon a valid contract which stemmed from litigation relating to the Sun-Kist and Sun-Maid trade-marks. The findings as to the absence of confusing similarity between the Sun-Kist and Sun-Maid trade-marks contained in the original findings in the case were not transmuted into the decree finally entered in the case. For that decree was based solely upon the court's conclusion that the defendant's predecessor by contract had assumed the obligation to limit its use of the mark Sun-Maid to

raisins or raisin products only, and that no reason existed, in equity, for relieving it from the obligation. Speaking more specifically of the contention that the contract of March 10, 1917, is monopolistic: The contract did not then, nor does it now create a monopoly in violation of the Sherman Anti-Trust Act. (15 U.S.C.A., §1 et seq.) The present trend of the courts is not to consider control of a commodity in itself as constituting a monopolistic practice which goes counter to the Sherman Anti-Trust Act unless the control of the market is such that the public has no access to competitive commodities. The Supreme Court in *United States v. Du Pont & Co.*, 1956, 351 U.S. 377, 394, stated the problem in this manner:

“When a product is controlled by one interest, without substitutes available in the market, there is monopoly power. * * * But where there are market [100] alternatives that buyers may readily use for their purposes, illegal monopoly does not exist merely because the product said to be monopolized differs from others. If it were not so, only physically identical products would be a part of the market.”

Even when the right to trade is limited, there is no anti-trust violation in an agreement unless it result in an unreasonable restraint. (Restatement, Contracts, §§512-513; *Apex Hosiery Co. v. Leader*, 1940, 310 U.S. 469, 485-486, 497; *Times Picayune Publ. Co. v. United States*, 1953, 345 U.S. 594, 611;

Stearns v. Tinker & Razor, 9 Cir., 1958, 252 F. 2d 589; *Klor's v. Broadway-Hale Stores, Inc.*, 9 Cir., 1958, decided on March 28, 1958. And see the writer's opinion in *Martin v. The Ford Alexander Corporation*, D.C. Cal., 1958, 160 F. Supp. 670, 686-687.)

So, even if the agreement of March 10, 1917, had the effect of preventing Sun-Maid's predecessor, and consequently Sun-Maid, from engaging in the production and marketing of products other than raisins and raisin products, the monopolistic feature would not be a violation of law or public policy without an actual showing that there were no others in the field engaging in the production and sale of products competitive to those of the plaintiff. However, the agreement is much narrower. It does not prevent Sun-Maid from engaging in the production of canned products of fruits and vegetables other than raisin and raisin products. It merely restricts the use of the trade-mark Sun-Maid to such products. Sun-Maid's [101] predecessor was free, and Sun-Maid itself has been free all these years, to can anything—vegetables or fruits—and market them under any name so long as that name is not Sun-Maid. The owner of a trade-mark has a property right which attaches to the mark so long as the mark is used in the conduct of a business, or in the sale of goods. (15 U.S.C.A., §1051; 87 C.J.S., Trade-Marks, §2; *Stork Restaurant v. Sahati*, 9 Cir., 1948, 166 F. 2d 348, 352; *Continental Distilling Sales Co. v. Brancato*, 8 Cir., 1949, 173 F. 2d 296, 298;

Bulova Watch Co. v. Steele, 5 Cir., 1952, 194 F. 2d 567, 569.)

Generally, the owner of a trade-mark may assign or transfer the mark to others for use in conjunction with a business or product, even if a proper name is a part of the mark and the purchaser will be protected. (87 C.J.S., Trade-Marks, §171; Guth v. Guth Chocolate Co., 4 Cir., 1915, 224 Fed 932, 934; Reddy Kilowatt, Inc., v. Mid-Carolina Electric Co-Op., 1957, 4 Cir., 240 F. 2d 282, 289. And see, 15 U.S.C.A., §§1025, 1127.)

In the case before us, the plaintiff, since the issuance of the injunction, has sold its trade-mark Sun-Kist and the good-will attached to it. This sale does not terminate its rights under the contract, so far as Sun-Maid mark is concerned. During the negotiations for the sale of the mark, the existence of the injunction was considered as a part of the good-will which was being transferred. Much is made of the fact that the contract of September 20, 1950, does not transfer the injunction. In a [102] sense, a judgment is a contract. (49 C.J.S., Judgments, §6; Am. Jur., Judgments, §7.) As stated by the Supreme Court in *Blount v. Windley*, 1877, 95 U.S. 173, 176:

“It is undoubtedly true, in some sense and for some purposes, that a judgment has been treated and considered as a contract; and we are not disposed to deny that the judgment in this case is evidence of a contract. But the judgment is only a contract because it is evi-

dence of a debt or obligation on the part of defendant due to plaintiff. The judgment itself presupposes, and is founded on, some antecedent obligation or contract, because it now has the sanction of the judicial determination of its validity and the amount by a court of law. The essential nature and character of the contract remains unchanged.” (Emphasis added.)

And it may well be assumed that, if a judgment granting injunctive relief is assignable, the courts would protect the assignee because the effect of an assignment absolute in form is “to vest the legal title” in the assignee. (*Spiller v. Atchison T. & S.F. Ry. Co.*, 1920, 253 U.S. 117, 134.) But such an assignment is not necessary in order to continue to secure the benefits of the injunction. An assignor at common law had the sole right to protect the assignee, by legal means, in the thing he assigned or in the rights ancillary to it. (6 C.J.S., Assignments, §124.) Now the assignee has such right [103] in his own name, as he is the real party in interest in the thing assigned. (6 C.J.S., Assignments, §125; California Code of Civil Procedure, §367; *Lucey Mfg. Corp. v. Morlan*, 9 Cir., 1926, 14 F. 2d 920; *Curtin v. Kowalsky*, 1904, 145 Cal. 431, 434-435; *Cohn v. County Board of Supervisors*, 1956, 135 C.A.(2) 180, 184.) Regardless of any provision in the contract, the plaintiff would be required, should its rights to the injunction be challenged, to defend them insofar as they affect the rights of the assignee. More important than the right to the use of

the trade-mark Sun-Kist is the fact that through the contract Sun-Maid's predecessor bound itself to limiting its use of the Sun-Maid trade-mark to raisins and raisin products. When the plaintiff's predecessor acquired the right not to have the Sun-Maid trade-mark used on other products, it also confirmed Sun-Maid's exclusive right to the use of the mark on raisins and raisin products. Indeed, the preamble to the Agreement states:

“Whereas, the party of the first part desires that its right to use the said trade-mark ‘Sun-Maid’ in connection with the packing and sale of raisins and food products or confections containing raisins shall be established as against said The J. K. Armsby Company, or its successors, or any one claiming through or under them, the right to use said trade-mark ‘Sun-Kist,’ and to that end to procure the dismissal of said suit;” [104]

There is added strength to this position when we consider that the Court of Customs and Patent Appeals, in a contest over the same trade-mark, held that, by reason of the contract, Sun-Maid

“was restricted in its use of its mark ‘Sun-Maid’ and may not assert ownership of the same as applied to the goods described in its pending applications.” (California Packing Corp. vs. Sun-Maid Raisin Growers, 1933, C.C.P.A., 64 F. 2d 370, 376.)

III.

No Showing of Oppressive Effect of Injunction

Factually, the showing made by the affidavits, exhibits and depositions is insufficient to cause us to relieve Sun-Maid of its contractual obligations. A court of equity may, in the light of changed conditions, relieve a person of the effect of an injunction. However, courts will not do so unless the conditions have so altered as "to change the judgment into an instrument of wrong." (United States vs. Swift & Co., 1932, 286 U. S. 106, 115.) In the case just cited, in which the phrase just quoted was used, a leading case on the subject the Court said:

"There is need to keep in mind steadily the limits of inquiry proper to the case before us. We are not framing a decree. We are asking ourselves whether anything has happened that will justify us now in changing a decree. The injunction whether right or wrong, is not subject to impeachment [105] in its application to the conditions that existed in its making. We are not at liberty to reverse under the guise of readjusting. Life is never static, and the passing of a decade has brought changes to the grocery business as it has to every other. The inquiry for us is whether the changes are so important that dangers once substantial, have become attenuated to a shadow. No doubt the defendants will be better off if the injunction is relaxed, but they are not suffering hardship so extreme and unexpected as to justify us in saying that they are victims of oppression. Nothing less than a clear showing of grievous wrong evoked by new and unfore-

seen conditions should lead us to change what was decreed after years of litigation with the consent of all concerned." (p. 119.)

The Court of Appeals for the Ninth Circuit has applied this principle in *Morse-Starrett Products Co. vs. Steccone*, 1953, 205 F. 2d 244. The Court, after quoting the language of the *Swift* case, set out above, stated:

"In the instant case there has been no adequate showing either that changed conditions make continuation of the injunction inequitable or that operation of the injunction cannot have the intended effect. See Restatement, Torts, Section 943, comment (e) (1939). The case [106] upon which Mr. Steccone relies for the proposition that such a showing is unnecessary, *Coca-Cola Co. vs. Standard Bottling Co.*, 138 F. 2d 788, does recognize that modification of a decree depends upon a showing of changed circumstances of sufficient importance to warrant such modification." (p. 248.)

Significantly, in Footnote 5 of the opinion (p. 249), Judge Orr adverts to the statement of the Advisory Committee on the Amendments to the Rules, that Rule 60 (b) of the Federal Rules of Civil Procedure does not assume

"to define substantive law as to the grounds for vacating judgments, but merely prescribes the practice in proceedings to obtain relief." (See, 28 U.S.C.A., Rule 60, p. 313.)

(See, *Block vs. Thousandfriend*, 2 Cir., 1948, 170 F. 2d 428, 430; *Elgin Nat. Watch Co. vs. Barrett*, 8 Cir., 1954, 213 F. 2d 776, 780; *Federal Deposit Insurance Corp. vs. Alker*, 3 Cir., 1956, 234 F. 2d 113, 166 and Footnote 4.)

In effect, this means that the rule referred to does not go beyond the principles which have obtained in Courts of Equity for granting relief from judgments. (49 C.J.S., Judgments, § § 341-342; 43 C. J. S., Injunctions, § 237; 28 Am. Jur., Injunctions, § 323. And see, *Drivers Union vs. Meadowmoor Co.*, 1941, 312 U. S. 287, 298; *Cole vs. Fairview Development, Inc.*, 9 Cir., 1955, 226 F. 2d 175.) [107]

IV.

The Compromise as the Basis for the Injunction

It is axiomatic that the settlement of a disputed claim is a good consideration for an agreement to compromises. (1 C.J.S., Accord and Satisfaction, § 4, p. 475.) The decree of the court entered after the reversal of the original decree made no reference to the rights to the Sun-Kist trade-mark. It read:

“It is further Ordered, Adjudged and Decreed that an injunction issue herein perpetually enjoining and restraining the defendant, its agents and servants, and all claiming and holding through or under it, from using the trade-mark ‘Sun-Maid’ otherwise than on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins, provided that such injunction shall not enjoin or restrain defendant from using its present corporate name.”

Significantly, no new findings were made, and as the decree was approved by both sides, it may be assumed that, although the original findings disappeared with the reversal of the judgment in favor of the defendant, counsel for both parties waived new findings. So Sun-Maid cannot, at the present time, recapture the benefit of a finding of non-confusion which the Court of Appeals' decision set aside, and upon such finding base the argument that the plaintiff no longer being interested in the Sun-Kist label, they should be deprived of the benefit of the judgment. [108]

The short answer to this contention is that the injunction merely confirmed rights with which Sun-Maid's predecessor had parted in 1917. In truth, the final injunction issued was based upon one ground only, namely, that Sun-Maid's predecessor by contract had limited itself to using the Sun-Maid trade-mark on raisins and raisin products only. So that, in reality, Sun-Maid is seeking now to be relieved of a contract from which courts repeatedly have declined to relieve them in the past. The present use by plaintiff's assignee of Sunkist rather than Sun-Kist did not terminate the right of the plaintiff to the contract whereby the defendant's predecessor agreed to limit the use of its mark Sun-Maid to raisins and raisin products. The contract of 1917 contemplated that the benefits inure to the assignee of both parties, including the assignee of defendant's predecessor, and its successors, for that matter. The clause already quoted guaranteeing the rights of Sun-Maid indicates this with clarity.

During these years Sun-Maid has had and received great benefits from the exclusive use of the mark on raisins and raisin products. No one has challenged their right to such use. By the same token, the plaintiff, through its predecessor, has acquired the right to have the label confined to such products. Under the guise of modifying the injunction, the defendant, in reality, is seeking to be relieved of the burdens of the contract. The detriments of which they complain flow not from the injunction, but from the contract their predecessor entered into, and by which they are bound. Even if the defendant's predecessor [109] was wrong in settling the lawsuit, the defendant cannot be relieved of the contract by which it limited the use of its own trade-mark Sun-Maid to certain products in order to avoid litigating the possible infringement of the Sun-Kist mark.

The situation is thus akin to that wherein a person agreeing to pay for an idea which is not protected, will be held to his bargain notwithstanding the fact that, before disclosure, he could have used the idea without paying for it. (*Desny vs. Wilder*, 1956, 46 Cal. (2) 715, 730.)

This court, the Court of Customs and Patent Appeals and the Court of Appeals for the Ninth Circuit have held that the contract of 1917 was valid and binding on the defendant, although the defendant at the time is acquired the assets of its predecessor, California Associated Raisin Company, through bankruptcy, did not know of its existence.

In sum, the change of ownership in the trade-

mark Sun-Kist and the acquisition of it and the good will by the Sun-Kist Growers, Inc., does not alter the situation or the rights flowing to the parties from the Agreement of March 10, 1917, and the injunction which limited Sun-Maid's use of the trade-mark to raisins and raisin products only.

Grant that a court of equity may, upon a clear showing of unforeseen and unanticipated conditions, modify an injunction. (United States vs. Swift & Co., 1932, 286 U. S. 106, 119.) Nevertheless, that right does not extend to rights fully accrued upon facts so nearly permanent as to be substantially impervious to it: [110]

“A continuing decree of injunction directed to events to come is subject always to adaptation as events may shape the need. * * * The distinction is between restraints that give protection to rights fully accrued upon facts so nearly permanent as to be substantially impervious to change.” (United States vs. Swift & Co., *supra*, at p. 114.)

Here, nothing has happened except a change of ownership of the mark which had formed the basis of the lawsuit which preceded the Agreement of March 10, 1917. To repeat, the injunction merely confirmed it and nothing has been produced at this hearing to indicate that the injunction

“has been turned through changing circumstances into an instrument of wrong.” (United States vs. Swift & Co., *supra*, at p. 115.)

Summary and Conclusion

In summary, it appears that the movant here has based this motion upon grounds that are entirely irrelevant. It insists that, by reason of the fact that the plaintiff has sold the trade-mark Sun-Kist and the buyer uses the form Sun-Kist, the defendant should no longer be bound by the injunction which prohibited it from using the trade-mark Sun-Maid on products other than raisins and raisin products.

The argument is a non sequitur. It presupposes that the original decree was grounded upon the ownership by the plaintiff of the trade-mark Sun-Kist. This was not the case. The original [111] litigation in New York between the parties was based on contentions relating to this mark and its infringement. But the decree in the present case was issued solely because the parties compromised a lawsuit, in which the conflicting claims were doubtful and which the courts found to be binding upon them and the defendant, as their successor, regardless of the merits or demerits of the lawsuit.

So the vacated finding to the effect that there was no confusing similarity between the marks Sun-Maid and Sun-Kist and the alleged subsequent abandonment by the plaintiff of the use of the mark Sun-Kist, for an unhyphenated Sunkist, lose all significance. They are not the type of changed conditions for which relief is granted from the effects of a judgment.

On the contrary, it would be inequitable, at the

present time, when no other conditions exist, to relieve the defendant of the binding effect of its predecessor's contract.¹

Nor would it be fair to substitute a new party-plaintiff, Sun-Kist Growers, Inc., which was not a party to the original litigation, and relitigate a judgment which has been final for over twenty years.

In truth, there is nothing left to litigate.

Hence the following rulings:

1. The Motion to Dissolve the Injunction issued on June 15, 1936, is denied. [112]

2. The Motion to Join Sun-Kist Growers, Inc., as a party is denied.

Formal findings and Order to be prepared by counsel for the plaintiff under Local Rule 7. Costs to the plaintiff.

Dated: July 7, 1958.

/s/ LEON R. YANKWICH,
Chief Judge.

Note to Text

¹There is nothing in *Coca-Cola vs. Standard Bottling Co.*, 10 Cir., 1943, 138 F. 2d 788, relied on by Sun-Maid, which goes contra to this conclusion. There, an injunction had been issued enjoining the defendant from

“selling any product under the names Cherry and Cola, Ayer's Cola, Standard Cola, or any like word, name or names, or words, that are colorable imitations of the trade-mark ‘Coca

Cola'; (f) selling any product other than genuine Coca Cola upon calls of 'coke.' "

Later, the Court held that the Coca Cola Company was not entitled to the exclusive use of the word "cola." In the circumstances, the right to the trade-mark having been limited by court action, the Court found it inequitable to continue an injunction which deprived the defendant of the right to use, on soft drinks, the word "cola" in conjunction with words other than "coca" in the combination "Coca Cola" which was the defendant's trade-mark. This is not the situation here. While the plaintiff has, since the injunction was issued, assigned its trade-mark Sun-Kist, neither it nor its successor in interest has abandoned it. But, even if they had, the defendant is still bound by the contract which its predecessor entered into in 1917 limiting the use of its own trade-mark Sun-Maid to raisins and raisin products, and retaining the exclusive right in that field. In *Morse-Starett Products Co. vs. Steccone*, 9 Cir., 1953, 205 F. 2d 244, 249, and in *The Bowdil Co. vs. Central Mine Equipment Co.*, 8 Cir., 1954, 216 F. 2d 156, 160-161, the scope of *Coca-Coca* [114] *Co. vs. Standard Bottling Co.*, *supra*, is limited as herein indicated. Indeed, in the *Bowdil* case, an Order modifying the original injunction, which was based upon a stipulated agreement, was reversed because the Court of Appeals concluded that the showing that the

"discontinuance by the plaintiff of the making of true diamond-shaped bit, standing alone, was

not a circumstance justifying the modification of the injunction.” (p. 160.) (Emphasis added.)

So, here, the sale of the mark does not end Sun-Maid’s obligations embodied in the contract of settlement which was carried over into the decree.

And we may disregard entirely the fact that it stemmed from the settlement of a lawsuit involving the alleged infringement of the plaintiff’s trademark Sun-Kist. For, if the plaintiff’s predecessor, without possessing any mark of its own, had, for adequate consideration, entered into an agreement with the defendant’s predecessor in which they agreed not to use Sun-Maid on any product other than raisins and raisin products, the contract would be just as effective. And the sale of its business to others would not deprive the plaintiff of the right not to have the defendant use its mark on competitive products. (See, *Hamilton, Brown Shoe Co. vs. Sam B. Wolf Sons Co.*, C.C.P.A., 1930, 39 F. 2d 272, 273-274; *R. M. Hollingshead Corp. vs. Davies-Young Soap Co.*, C.C.P.A., 1941, 121 F. 2d 500, 504, 505.)

We repeat: Sun-Maid may pack and sell, if it wishes to, all the varieties of orange, lemon, grape and other products, [115] as exemplified by the twenty-one exhibits introduced at the hearing, as there is nothing in the contract or in the injunction which prevents it from expanding its activities into packing and selling such products. All it is forbidden to do, as a result of its predecessor’s act, is to use the Sun-Maid label on them.

[Endorsed]: Filed July 8, 1958. [116]

United States District Court for the Southern
District of California, Northern Division

Civil No. C-104-M

CALIFORNIA PACKING CORPORATION, a
Corporation,

Plaintiff,

vs.

SUN-MAID RAISIN GROWERS OF CALI-
FORNIA, a Corporation,

Defendant.

FINDINGS OF FACT, CONCLUSIONS OF
LAW AND ORDER DENYING MOTION
OF DEFENDANT TO DISSOLVE INJUNC-
TION

Findings of Fact

1. The contract of March 10, 1917, between predecessors in interest of plaintiff and defendant settled litigation of claimed infringement of the "Sun-Kist" trade-mark by the "Sun-Maid" trade-mark, and was based upon mutual concessions as to doubtful claims.

2. Under the contract of March 10, 1917, defendant's predecessor agreed to use the "Sun-Maid" trade-mark only on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins.

3. The final decree herein entered June 15, 1936, pursuant to mandate of the Court of Appeals for

the Ninth Circuit was based upon and enforced the contract of March 10, 1917, and directed that an injunction issue perpetually restraining defendant from using the "Sun-Maid" trade-mark otherwise than on packages containing raisins or on packages containing food products or confections made wholly or in part from raisins.

4. The injunctive decree of June 15, 1936, was not based upon plaintiff's then existing rights of ownership in the "Sun-Kist" trade-mark, but upon plaintiff's rights and defendant's obligations under the contract of March 10, 1917.

5. The validity and effect of the contract of March 10, 1917, which compromised disputed claims, and of the injunctive decree of June 15, 1936, which enforced said contract, do not depend upon ownership by plaintiff of rights in the "Sun-Kist" trade-mark.

6. Plaintiff has not assigned its rights under the contract of March 10, 1917, or under the injunctive decree of June 15, 1936.

7. By agreement dated September 20, 1950, plaintiff [118] sold its rights in the "Sun-Kist" trade-mark to California Fruit Growers Exchange, now Sunkist Growers, Inc.

8. The sale by plaintiff of its rights in the "Sun-Kist" trade-mark did not terminate its rights under the contract of March 10, 1917.

9. There has not been any change in any material circumstance relating to the validity or en-

forceability of the contract of March 10, 1917, or the injunctive decree of June 15, 1936, since entry of said decree.

10. There is no evidence that the contract of March 10, 1917, or the injunctive decree of June 15, 1936, has foreclosed defendant from selling its products or any of them in any market, or that there is any lack of competition in the production and sale of fruit and vegetable products.

11. The effect on defendant of the injunctive decree of June 15, 1936, has not changed since its entry: today as in 1936 the injunction merely enforces the contract of March 10, 1917, and the limited ownership rights of defendant in the "Sun-Maid" trade-mark for use on raisins and raisin products only.

12. Defendant has received and is continuing to receive great benefits from the contract of March 10, 1917, in selling raisins and raisin products under the "Sun-Maid" trade-mark free of claims based upon the "Sun-Kist" trade-mark.

13. It would be inequitable now to relieve defendant of the corresponding burdens of the contract of March 10, 1917, and the injunction of June 15, 1936.

14. Neither Sunkist Growers, Inc., nor its predecessor was a party to the contract of March 10, 1917, or to the proceedings herein which issued in the injunctive decree of June 15, 1936. [119]

Conclusions of Law

1. The contract of March 10, 1917, is not an unreasonable restraint of trade.
2. The contract of March 10, 1917, is valid and enforceable by plaintiff.
3. There is no basis for dissolution of the injunctive decree of June 15, 1936.
4. Sunkist Growers, Inc., is not a necessary or proper party herein.

Order Denying Motion of Defendant
to Dissolve Injunction

In accordance with the foregoing findings of fact and conclusions of law, it is Ordered:

1. The motion of defendant to dissolve the injunction entered on June 15, 1936, is denied.
2. The alternative motion of defendant to join Sunkist Growers, Inc., as a party to the proceedings herein is denied.
3. Plaintiff shall recover its costs incurred herein.

Dated: July 25, 1958.

/s/ LEON R. YANKWICH,

Judge of the United States
District Court.

Receipt of Copy acknowledged.

Lodged July 18, 1958.

[Endorsed]: Filed July 25, 1958.

Entered July 28, 1958. [120]

[Title of District Court and Cause.]

NOTICE OF APPEAL

Notice is hereby given that Sun-Maid Raisin Growers of California, the above-named defendant, hereby appeals to the United States Court of Appeals for the Ninth Circuit from the Order Dismissing Defendant's Motion to Dissolve Injunction entered in this action on July 28, 1958.

Dated: August 5, 1958, San Francisco, California.

BOYKEN, MOHLER & WOOD,

By /s/ GORDON WOOD,

Attorneys for Defendant.

[Endorsed]: Filed August 13, 1958. [121]

In the District Court of the United States, Southern
District of California, Northern Division

No. C-104-M

CALIFORNIA PACKING CORPORATION, a
Corporation,

Plaintiff,

vs.

SUN-MAID RAISIN GROWERS OF CALIFOR-
NIA, a Corporation,

Defendant.

DEPOSITION

Be It Remembered, that on Wednesday, the 12th day of January, 1955, at 10:00 o'clock a.m., pur-

suant to the annexed Notice to Take Despositions Upon Oral Examination, at the offices of Messrs. Boyken, Mohler & Wood, 723 Crocker Building, San Francisco, California, personally appeared before me, H. L. Fly, a notary public in and for the City and County of San Francisco, State of California,

CHARLES GRIFFIN, JR.

a witness called on behalf of the defendant herein.

Messrs. Pillsbury, Madison & Sutro, represented by James Michael, Esquire, appeared as attorneys for the plaintiff; and

Messrs. Boyken, Mohler & Wood, represented by Gordon Wood, Esquire, appeared as attorneys for the defendant.

The said witness having been by me first duly cautioned [1*] and sworn to testify the truth, the whole truth, and nothing but the truth, in the above-entitled cause, did thereupon depose and say as hereinafter set forth.

It was stipulated between counsel for the respective parties that the said deposition be reported by H. L. Fly, a duly certified reporter and a disinterested person, and thereafter transcribed by him into typewriting, to be read to or by the said witness, who, after making such corrections therein as may be necessary, will subscribe the same.

It was further stipulated that all objections to questions propounded to the said witness shall be

*Page numbering appearing at top of page of original Reporter's Transcript of Record.

reserved by each of the parties, save and except any objections as to the form of the questions propounded.

Mr. Wood: You might let the record show that this deposition is being taken in accordance with Rule 26 of the Federal Rules of Civil Procedure. [2]

CHARLES GRIFFIN, JR.

a witness called on behalf of the defendant herein, being first duly cautioned and sworn by the notary public to tell the truth, the whole truth, and nothing but the truth, testified as follows:

Examination

By Mr. Wood:

Q. Would you state your name and residence, age and occupation?

A. Charles W. Griffin, Jr. Do you want the home address or business address?

Q. Home address.

A. 114 Woodland Way, Piedmont, California.
Age, 53.

Q. What is your occupation?

A. Vice president, California Packing Corporation.

Q. Who is the president of your corporation?

A. Mr. Roy G. Lucks.

Q. Are you related to a C. W. Griffin?

A. My father.

Q. Was he an officer of the California Packing Corporation? A. He was.

(Deposition of Charles Griffin, Jr.)

Q. And prior to that time was he connected with the Armsby Corporation—is that the name?

A. No, he and his brother, Mr. Andrew Griffin, were the owners of the Griffin and Skelley Company.

Q. And what relationship is there between the Griffin and Skelley Company and the California Packing Corporation?

A. They were one of the four companies that went together to form the California Packing Corporation in 1916 .

Q. And what were the other companies? [3]

A. California Fruit Cannery Association, Central California Cannery or Canneries—I am not exactly sure—Central California Cannery, I believe it was, and J. K. Armsby Company.

Q. How long have you been with the California Packing Corporation? A. Since 1923.

Q. And how long have you been vice president?

A. Well, I feel a little embarrassed about this, to be perfectly frank, but I think it was 1947. I couldn't tell you exactly. I could get it for you.

Mr. Michael: If you require the accurate date, counsel, we will get it for you.

Mr. Wood: If it seems to be pertinent, we will go into it later.

Q. And prior to 1947 or thereabouts what position did you have with the company?

A. Well, actually I was in the Dry Fruit Buying Department.

Q. Are you familiar with the use by California Packing Corporation of the trade-mark Sunkist?

(Deposition of Charles Griffin, Jr.)

A. I think I am.

Q. By the way, is that name as used by California Packing Corporation hyphenated or is it one word?

A. One word.

Q. Has it ever been hyphenated?

A. Not to my knowledge.

Q. Could you tell me approximately when—may I refer to it as Cal Pac for short?

A. Yes.

Q. Could you tell me when Cal Pac started to use the [4] trade-mark Sunkist?

A. I am sorry; I cannot. I actually don't know.

Q. Had the company used the trade-mark Sunkist for as long as you were associated with the company?

A. Yes.

Q. And when were you first associated with the company?

A. 1923.

Q. Could you tell me on what items the trade-mark was used by the company in the past?

A. Rather extensively in the canned fruit line and in the dried fruit line.

Q. And was it used on raisins?

A. It was.

Q. Is the trade-mark Sunkist presently being used by Cal Pac?

A. No, sir.

Q. When did they stop using that trade-mark?

A. I believe that the correct date is—I think it was 1950.

Mr. Michael: Counsel, I think you have a subpoena duces tecum served on the witness which called for an agreement respecting this matter, and if you care, I will submit it. I have both the original

(Deposition of Charles Griffin, Jr.)

and the photostatic copy of the agreement dated September 20th, 1950, between California Packing Corporation and California Fruit Growers Association, and I think it is the document you are seeking under the subpoena duces tecum.

Mr. Wood: May I take a look at it?

(Mr. Michael hands document to Mr. [5]
Wood.)

Mr. Wood: Do you have the original of this document?

Mr. Michael: I have it here.

Mr. Wood: May I see it?

(Mr. Michael hands document to Mr. Wood.)

Mr. Wood: I didn't intend to get into this right now. I thought just a little later I might have a recess for ten or fifteen minutes so I could study this over if it is agreeable with you.

Mr. Michael: You suit yourself.

Q. (By Mr. Wood): This agreement is dated the 20th of September, 1950. Now, in answer to my previous question——

Would you read the last question?

(Question read.)

The Witness: May I say in answer to your question there that the agreement, as I understand it, was signed in 1950.

Q. (By Mr. Wood): What agreement is this you are referring to?

(Deposition of Charles Griffin, Jr.)

A. The agreement you have there.

Q. Perhaps we had better identify this agreement. Do you have a copy, or would you like to look at the original?

A. I have it.

Q. Would you tell me by whom it is executed?

A. By the California Packing Corporation, by Ralph Brown, the vice president, and by Mr. N. Y. Hollister as secretary; by the California Fruit Growers Exchange, H. A. Lynn—

Q. Are you acquainted with Mr. Lynn?

A. I am not, sir—and as secretary, Paul S. Armstrong. [6]

Q. Now, I am not acquainted with the contents of this agreement yet, but do I understand it to be that Cal Pac discontinued the use of the word “Sun-kist” about the time of the execution of this agreement? Is that correct?

A. Approximately so. There is a provision in the contract that would allow us to use any of the labels, cartons, boxes and so forth that we had in stock, using those Sunkist labels on any crops packed from the 1950 or prior crops—in other words, a provision to allow us to dispose of the stock of labels and boxes, cartons and so forth that we had on hand.

Q. Do you actually know how long it took to dispose of these?

A. I do not, sir.

Q. Could you tell me, Mr. Griffin, that this agreement dated September 20th, 1950, was recorded in the patent office?

(Deposition of Charles Griffin, Jr.)

A. I cannot tell you, sir. I don't know.

Mr. Wood: Well, I really think at this point, if I may, I would like to take a recess for ten or fifteen minutes.

Mr. Michael: That's quite satisfactory.

(Recess taken.)

Mr. Wood: On the record.

Now, as I understand it, this original agreement comprises an authorization by the corporation that Mr. Lynn be authorized to execute this agreement between California Packing Corporation and California Fruit Growers Exchange or Sunkist Growers of California. Is that correct?

Mr. Michael: I think it speaks for itself, counsel. [7]

Mr. Wood: Well, I want the record to show——

Mr. Michael: I will stipulate that attached to the agreement dated September 20th, 1950, are copies of resolutions by the various corporations as certified to by the various secretaries or assistant secretaries showing that the parties who actually executed the document had authority to do so.

Mr. Wood: All right. Thank you.

Q. Now, Mr. Griffin, in this agreement Cal Pac is required to execute certain assignments of the trade-mark registrations on the mark Sunkist. Do you have these assignments with you?

A. I do not, sir.

Mr. Michael: I might say, counsel: As you see,

(Deposition of Charles Griffin, Jr.)

Exhibit B attached to the agreement contains quite a long list of registrations. We didn't feel you were particularly interested in having copies of each of those. If there is any question about whether or not the documents called for were executed at some later time, we can check on that, and I will be glad to stipulate with you as to what the facts are.

Q. (By Mr. Wood): Preliminarily, I would like to know, was there just one main assignment that listed all these registrations listed in Exhibit B or was there an assignment for each registration?

A. I am sorry. I am not familiar with it.

Q. And you are not familiar with whether or not the assignments, if any, were recorded in the patent office?

A. I am not.

Q. Who would know?

A. Probably the secretary of the [8] corporation down there would know.

Q. The secretary of the corporation?

A. Yes.

Q. And who is the secretary?

A. At the present time Mr. Croce.

Mr. Michael: Off the record, counsel.

(Unreported discussion.)

Mr. Wood: On the record.

Q. Now, Mr. Griffin, this agreement specifies a certain consideration of money payable by Exchange—that is, the California Fruit Growers Exchange. Could you tell me whether or not that consideration has been paid?

(Deposition of Charles Griffin, Jr.)

A. To the best of my knowledge it has been completely paid.

Q. Now, also in the agreement Cal Pac, as I understand it, is permitted or may be permitted—the agreement may be construed so as to permit Cal Pac to continue to use a trade-mark which includes the word “Sun.” To the best of your knowledge is Cal Pac employing a trade-mark at this time which includes the word “Sun”?

Mr. Michael: May I make an objection to the form of the question? I think it assumes construction of the agreement that may or may not be correct. Assuming what you say is correct and that that construction is a proper construction of the agreement——

Mr. Wood: Let’s rephrase my question.

Q. To the best of your knowledge does Cal Pac employ the word “Sun” in any trade-mark presently used by Cal Pac? [9]

A. Not to my knowledge.

Q. What are some of your trade-marks presently being used? A. Del Monte.

Q. Are there any others for canned goods, for example?

A. Gold bar, Today’s. Those are the major ones.

Q. Prior to this agreement of 1950—the 20th of September, 1950—would you say that Sunkist was a major trade-mark of Cal Pac? A. I would.

Q. On what items was it being used at that time?

A. On a large portion of the canned goods line

(Deposition of Charles Griffin, Jr.)

and at various times on almost a complete line of the dried fruits.

Q. Was it being used on raisins at that time?

A. It was.

Q. Could you give me, just roughly, percentage-wise or by proportion just roughly, the ratio between your gross sales attributable to the Sunkist trade-mark and the Del Monte trade-mark?

A. No, frankly, I couldn't.

Q. Well, would it be in the order of one to ten or one to a hundred or one to two?

Mr. Michael: I object if you are asking the witness to speculate on it. He has testified he couldn't tell you what proportion of the business was sold under the Sunkist brand.

Q. (By Mr. Wood): You mentioned the fact that the Del Monte trade-mark was a major trade-mark. Would you consider the Sunkist trade-mark a major or minor trade-mark prior to September 20th, 1950?

A. I would have to answer that as minor.

Q. Now, you stated before that Cal Pac is not employing [10] the trade-mark Sunkist at the present time?

A. That is correct.

Q. And is it correct that after September 20th, 1950, your only use of the trade-mark Sunkist was for the purpose of using up certain labels for packages that you may have had as permitted by this agreement?

A. Correct.

Q. Are you acquainted with an agreement executed by the California Associated Raisin Com-

(Deposition of Charles Griffin, Jr.)

pany, Griffin and Skelley Company, California Fruit Canners Association, dated March 10th, 1917?

A. I am not, sir.

Q. Are you acquainted with the trial of this original case, California Packing Corporation versus Sun-Maid Raisin Growers of California?

A. I am not, sir.

Q. Who in your organization would be best qualified to testify on this agreement I mentioned—I am sorry, I shouldn't say that you testified. You didn't know anything about it. But who in your organization would be best qualified to testify on the case of California Packing Corporation versus Sun-Maid Raisin Growers of California?

The Witness: Off the record.

(Unreported discussion.)

Mr. Wood: On the record.

The date of the trial was a short time prior to 1936.

Mr. Michael: If you don't know, you don't know. Don't try to guess as to who might have some knowledge about the trial.

The Witness: Frankly, I just don't know. [11]

Q. (By Mr. Wood): How about this secretary you mentioned; what was his name?

A. Croce.

Q. And how long had he been secretary?

A. I believe it was about four years.

Q. Who was secretary prior to him?

A. Mr. Hollister. Mr. Hollister is dead.

(Deposition of Charles Griffin, Jr.)

Q. Getting back again to the use of the Sunkist trade-mark prior to the Sunkist agreement, was your use of the trade-mark domestic; in other words, were products sold in the United States bearing the trade-mark Sunkist?

A. They were.

Q. Were they sold in foreign commerce, too?

A. They were.

Q. Was the foreign commerce involving the trade-mark Sunkist a large percentage or small percentage of the total use?

A. I couldn't answer that. I don't know.

Q. Who would be familiar with that?

A. Well, I assume that possibly that could be obtained from Mr. Croce.

Q. Prior to his assuming the office of secretary, what position did he have with the company?

A. He was with our Tax Department.

Mr. Wood: By the way, if I haven't done so, I want to introduce in evidence this copy of the agreement of September 20th, 1950; and it has been stipulated that a photostatic copy of the same may be employed and that said copy is an exact copy of the original agreement?

Mr. Michael: I will so stipulate. [12]

When you say you want to introduce it in evidence, what you mean, you want to have it marked and that you intend to offer it.

Mr. Wood: I want to offer it in evidence as our Exhibit 1.

Mr. Michael: I take it we have the usual stipu-

(Deposition of Charles Griffin, Jr.)

lations as to the objections, and so forth. Therefore it is not necessary for me to note my objection to the offer at this time.

Mr. Wood: You may object or not as you wish.

Mr. Michael: Well, if we do not have such a stipulation, I will object to the offer of the document at this time on the ground that it is incompetent, irrelevant and immaterial as far as the issues in this proceeding are concerned.

Mr. Wood: Isn't it true, counsel, we have stipulated that the photostatic copy which you have is a true copy of the original agreement?

Mr. Michael: I am perfectly willing to stipulate that the photostatic copy is a true and correct copy of the original, and it may be reproduced and copies attached to the deposition, and any one of the photostatic copies may be used in the same manner that the original may be used at the hearing.

(Agreement above referred to marked Defendant's Exhibit No. 1.)

Mr. Wood: Counsel, are you going to be able to leave us another copy of this agreement? The reporter is going to take this one. I am going to give you back the original.

Mr. Michael: This is a negative copy, and the reporter [13] can have positive copies made and attach copies to the copies of the deposition.

Mr. Wood: How long would it take, Mr. Reporter, to get this back?

(Deposition of Charles Griffin, Jr.)

The Reporter: One day.

Q. (By Mr. Wood): Mr. Griffin, we are interested in getting some information on the extent of use by your company of the trade-mark Sunkist prior to the Sunkist agreement, and as you have testified you are not too familiar with the exact use, and as I understand your testimony, Mr. Croce would probably be familiar with such use?

A. I would assume.

Mr. Wood: I am wondering if Mr. Croce would be available to testify today.

The Witness: I doubt that now. He has been away; he handled some of these tax matters for us, and whether he is there or not I haven't the slightest idea.

Mr. Wood: I am wondering, counsel, whether you could agree to produce Mr. Croce within the next few days?

Mr. Michael: I am not prepared to enter into any stipulation right at the moment to produce any witness, counsel; and I don't say that for any reason of trying to harass or delay your preparation of your case here, but I simply don't know what the availability of these people is. If you are only interested in getting the statistics as to the use of the trade-mark, it seems to me you might approach that by a simpler avenue. You tell me what you want and I will get it for you. [14]

Mr. Wood: That sounds all right, and if it appears it would be better to have the testimony of someone who knows the situation, then we can go

(Deposition of Charles Griffin, Jr.)

through the same thing again and get it. It just seemed to me that if Mr. Croce were available today we would like to have him here. We would naturally like figures on the amount of goods sold under the Sunkist trade-mark prior to the agreement of 1950.

Mr. Michael: In terms of percentage of the business of Cal Pac?

Mr. Wood: I think probably in terms of percentage and also in terms maybe of the gross amount of sales.

Mr. Michael: I am not sure that we will be willing to give you the latter. We might be willing to give you the former; but let me explore the matter and I will let you know.

Mr. Wood: That's agreeable.

Mr. Michael: You are interested in what was in existence prior to the execution of this agreement?

Mr. Wood: Let's say five or ten years prior to the execution of the agreement, and I take it Mr. Croce could testify to that, despite the fact he has only been secretary for only five years.

Mr. Michael: I am not even sure if he is the witness that would have that information. I am not saying this critically of Mr. Griffin. He may be assuming that Mr. Croce, because he is secretary and has charge of the records, would be able to locate it. [15]

The Witness: He would have to dig up the information, but it's a question of who would present it. That's the reason I said Mr. Croce.

(Deposition of Charles Griffin, Jr.)

Mr. Michael: Do you want all this on the record?

Mr. Wood: Yes. We might go off the record now, if we may.

(Unreported discussion.)

Mr. Wood: On the record.

I think that is about all, and I certainly appreciate your coming up, Mr. Griffin.

/s/ CHARLES W. GRIFFIN, JR.

United States of America,
Northern District of California,
City and County of San Francisco—ss.

I hereby certify that on the 12th day of January, 1955, at 10:00 o'clock a.m., before me, H. L. Fly, a notary public in and for the City and County of San Francisco, State of California, at the offices of Messrs. Boyken, Mohler & Wood, 723 Crocker Building, San Francisco, California, personally appeared, pursuant to the annexed Notice to Take Depositions Upon Oral Examination, Charles Griffin, Jr., a witness called on behalf of the defendant herein; and Messrs. Pillsbury, Madison & Sutro, represented by James Michael, Esquire, appeared as attorneys for the plaintiff; and Messrs. Boyken, Mohler & Wood, represented by Gordon Wood, Esquire, appeared as attorneys for the defendant:

and the said Charles Griffin, Jr., being by me first duly cautioned and sworn to testify the whole truth, and nothing but the truth, and being carefully examined, deposed and said as appears by his deposition hereto annexed.

And I further certify that the said deposition was then and there recorded by me, a duly certified and disinterested shorthand reporter, and was transcribed by me.

And I further certify that at the conclusion of the taking of said deposition, and when the testimony of said witness was fully transcribed, said deposition was submitted to and read by said witness and thereupon signed by him; and that the deposition is a true record of the testimony given by said witness.

And I further certify that the exhibit hereto attached and [17] marked Defendant's Exhibit No. 1 is the exhibit referred to and used in connection with the deposition of said witness.

And I further certify that the said deposition has been retained by me for the purpose of securely sealing it in an envelope and directing the same to the Clerk of the Court as required by law.

And I further certify that I am not of counsel or attorney for either or any of the parties; nor am I interested in the event of the cause; I further certify that I am not a relative or employee of or attorney for counsel for either or any of the parties,

nor a relative or employee of such attorney or counsel, nor financially interested in the action.

In Testimony Whereof, I have hereunto set my hand and official seal at the City and County of San Francisco, State of California, this 3rd day of February, A.D. 1955.

[Seal] /s/ H. L. FLY,
Notary Public in and for the City and County of
San Francisco, State of California.

My commission expires Oct. 13, 1956.

California Packing Corporation
215 Fremont Street
San Francisco 19

Cable Address Calfruit

Calpack Code

February 3, 1955.

Mr. H. L. Fly,
Hart & Hart,
Chancery Building,
564 Market Street,
San Francisco, Calif.

Dear Mr. Fly:

This refers to the question on Line 25, Page 9, of my Deposition of January 12, 1955, reading, "To the best of your knowledge does Cal Pac employ the word 'sun' in any trade-mark presently used by Cal Pack?"

My answer to this question appears on Page 10, and reads, "Not to my knowledge."

Your reporting of my reply was correct; however, I do wish to change this answer to read, "Yes." Investigation upon my return to the office indicates that we do use the brand Sunshine.

Yours very truly,

CALIFORNIA PACKING
CORPORATION,

/s/ CHARLES W. GRIFFIN, JR.,
Vice President.

CWG,Jr./vf.

cc: Mr. James Michael,
Pillsbury, Madison & Sutro,
225 Bush Street,
San Francisco, Calif.

cc: Mr. Gordon Wood,
Boyken, Mohler & Wood,
723 Crocker Building,
San Francisco, Calif.

[Printers Note: Reference to correction in the above letter may be found on page 122 of this printed record.]

[Endorsed]: Filed February 3, 1955.

[Title of District Court and Cause.]

DEPOSITION

Deposition of F. R. Wilcox, called as a witness on behalf of the defendant, taken on Thursday, June 6, 1957, at 2:00 p.m., at 707 West Fifth Street, Los Angeles, California, pursuant to Notice, before Byron Oyler, a Notary Public in and for the County of Los Angeles, State of California.

Appearances:

For the Plaintiff:

PILLSBURY, MADISON & SUTRO, by
GEORGE A. SEARS, ESQ.

For the Defendant:

BOYKEN, MOHLER & WOOD, by
GORDON WOOD, ESQ.

For Sunkist Growers:

LEONARD S. LYON, ESQ.,
KNOX FARRAND, ESQ., and
M. J. McDONALD, ESQ.

Also Present:

MR. GRAINGER,

Mr. Wood: May we have the usual stipulation about the execution of the deposition and the matter of objections?

Mr. Sears: I am agreeable to the ordinary stipulation about the reservation of all objections except as to the form of the question, but at this time I would prefer not to enter into a stipulation as to the waiver of signature.

Mr. Wood: You mean you would prefer to have it signed before any notary?

Mr. Sears: Yes.

Mr. Wood: I think it might be well for the record to mention who is present. I am representing Sun-Maid. I understand Mr. Farrand is representing Sunkist Growers. Mr. Sears represents the California Packing Corporation. Mr. McDonald represents Sunkist Growers. Mr. Lyon, I assume, is representing Sunkist Growers also. Is that right?

Mr. Lyon: That is correct.

Mr. Wood: Are you also representing the California Packing Corporation?

Mr. Lyon: No.

Mr. Wood: You are not representing them in this proceeding?

Mr. Lyon: Not in this case nor at this deposition.

Mr. Wood: Have you ever represented the California Packing Corporation?

Mr. Lyon: Not in connection with this matter. The [2*] original case, which I understand was tried before Judge McCormick and went to the Court of Appeals, I was not involved in that case.

Mr. Wood: Have you been involved in any other cases concerning the California Packing Corporation?

Mr. Lyon: I have represented the California Packing Corporation in various other matters at different times.

Mr. Wood: Very well.

*Page numbering appearing at top of page of original Reporter's Transcript of Record.

F. R. WILCOX

called as a witness on behalf of the defendant, having been first duly sworn, testified as follows:

Direct Examination

By Mr. Wood:

Q. Would you state your name, address and occupation, please?

A. F. R. Wilcox; general manager of Sunkist Growers, Inc.; 707 West Fifth Street, Los Angeles, California.

Q. How long have you occupied the position of general manager?

A. Since January 1, 1957.

Q. What was your capacity prior to that time?

A. I was assistant general manager and treasurer.

Q. How long did you occupy that position?

A. As assistant general manager for about 17 years and as treasurer for one year prior to that, but during the 17-year period I held both positions. [3]

Q. Were you with the organization prior to that time? A. Just for a short period.

Q. Then you are acquainted with the change of name to Sunkist Growers, Inc. What was the name of the company before that time?

A. California Fruit Growers Exchange.

Q. Mr. Wilcox, we served a subpoena on you requesting that you bring certain agreements. Do you have them with you? A. Yes, I do.

Q. May I see them? A. Yes.

(Deposition of F. R. Wilcox.)

Mr. Sears: When it is convenient, Mr. Wood, may I look at the file also?

Mr. Wood: Yes. I want to see if it is a duplication of what we already have.

Mr. Sears: Fine.

Mr. Wood: I would like to have all of these papers marked collectively as Exhibit 1. We intend to offer them into evidence. It happens that they are identical to Exhibit 1 in the deposition of Charles Griffin, Jr.

Mr. Lyon: May we substitute in this deposition, if you are going to want the documents produced by the witness, an uncertified copy?

Mr. Wood: That is satisfactory. Do you mean rather [4] than the originals——

Mr. Lyon: Those are the originals, Mr. Wood. If you don't need the originals we would like to substitute copies.

Mr. Wood: That is satisfactory.

Mr. Sears: Off the record. * * *

Mr. Wood: When was the change made?

Mr. Farrand: I think it was 1952.

The Witness: Is the year sufficient? I don't know the exact date, but the year was 1952.

Mr. Farrand: I don't have the year either.

Mr. Wood: That was the year the name was changed to Sunkist Growers, Inc.?

The Witness: Yes.

Mr. Wood: Suppose we mark the certified copy Exhibit 1?

Mr. Lyon: It is an uncertified copy.

(Deposition of F. R. Wilcox.)

Mr. Wood: I thought you made some certification regarding it.

Mr. Lyon: No, but I have read it.

Mr. Wood: If you say it is a copy that is good enough for me, Mr. Lyon. Will you mark it Exhibit 1?

(Whereupon the documents above referred to were marked as one exhibit, Defendant's Exhibit 1.)

Q. (By Mr. Wood): Mr. Wilcox, with reference to exhibit 1, and specifically to the agreement of September 20, 1950, [5] I would like to get some background on that agreement which purports to assign the Sunkist trade-mark.

Can you tell us why Sunkist Growers, Inc., wanted to purchase that mark?

A. Yes. It was primarily for the purpose of obtaining rights so that we could use it on canned citrus products, including frozen products and single strength juice.

Q. Just prior to the assignment of 1950 on what products was the Sunkist trade-mark used by Calpack? I refer to the California Packing Corporation as Calpack.

A. I don't have the exact knowledge, but we understood at the time that they were using it on a general line of canned goods, primarily in the deciduous fruit and in the vegetable field.

Q. Did you know at the time just prior to the execution of the agreement of 1950 how much goods

(Deposition of F. R. Wilcox.)

were sold by the California Packing Corporation under the Sunkist trade-mark? A. No.

Q. Were you involved in the negotiations that culminated in the agreement of 1950?

A. Yes.

Q. During these negotiations the actual extent of the use of the mark by California Packing Corporation was not brought to your attention. Is that right? [6] A. That is right.

Q. Do you know of any specific uses by Calpack of the Sunkist trade-mark during the period just prior to the agreement of 1950?

A. Yes. We knew of sales offices in some markets which I can't recall at this particular time where Sunkist was being used on some canned merchandise.

Q. During these negotiations of which I am speaking you did not know of any specific use, however. Is that right? A. No.

Q. At a time just prior to the execution of the agreement of 1950, would you be prepared to state in dollar value the amount of sales by Sunkist Growers annually?

A. On fresh fruit at that time it was running something in excess of \$100,000,000 annually. That varies considerably as the crops vary. We had years when it exceeded \$150,000,000 f.o.b.

In addition to that there were sales of products made by our products department which varied all the way from \$20,000,000 to as much as \$40,000,000 annually.

(Deposition of F. R. Wilcox.)

Q. Referring to the sale of goods at the time just prior to the agreement, were all of these goods sold under the Sunkist trade-mark?

A. No.

Q. For example, what goods would not be sold under [7] the Sunkist trade-mark?

A. Second-grade fresh fruit was sold under other trade-marks. We have a second trade-mark which was used rather extensively—it is used less extensively now—called Red Ball. Then there are house brands that carry second and third grades of fruit in which Sunkist is not used. None of our products were sold under the Sunkist brand.

Q. What would be examples of some products?

A. Single strength juice in cans, grapefruit juice, orange juice was sold under the exchange brand.

Q. Are you in a position to give us the dollar values of goods sold by Sunkist Growers not under the Sunkist trade-mark at that time?

A. Not exactly, but I could give you some rough estimates if that would suffice.

Q. Would you do that?

A. That, of course, would include all of the products which I previously indicated, none of which were sold under the Sunkist label. In an average year approximately 30 to 35 per cent of our fresh fruit was sold under non-Sunkist simply because it does not meet the Sunkist grade specifications.

Q. I take it the Sunkist mark is the high quality

(Deposition of F. R. Wilcox.)

mark. Is that right? A. That is correct. [8]

Q. Just prior to the agreement of 1950 did you have any figures on the amount of sales by California Packing Corporation under the Del Monte trade-mark? A. No, sir.

Q. As I understand your previous testimony you had no figures on sales by Calpack under the Sun-kist trade-mark? A. No, sir.

Mr. Lyon: Are you asking the witness for his personal knowledge?

Mr. Wood: That is what I want, yes.

Mr. Lyon: Because those figures have been published in lawsuits in which the California Fruit Growers Exchange was a party to.

Mr. Wood: I realize that.

Q. Are you prepared to tell us how the figure of \$1,250,000 was arrived at, that being the figure paid by Sunkist Growers to Calpack for the assignment of the Sunkist trade-marks?

A. Yes. It was a negotiated figure, of course, arrived at after negotiations between California Packing Corporation officials and ourselves, based upon what the California Packing Corporation felt were rights and interests in the trade-mark due to expenditures that they had made over a period of years and rights that they were giving up, and on the other hand our evaluation was based somewhat upon [9] what we felt the extended use in value of the trade-mark to us would be, particularly on citrus products. So I would say it was a negotiated figure that was arrived at.

(Deposition of F. R. Wilcox.)

Q. Would you say it was correct that on the one hand you had a certain figure representing expenses that Calpack had gone to in the development and promotion of the Sunkist trade-mark, and on the other hand a figure representing in some way the value of the mark to you?

A. Yes. I would say about as I outlined before, that we negotiated an amount.

Q. Was there ever a larger figure proposed by Calpack?

A. Yes. As I recall it was larger than that, but I don't recall the amount.

Q. How long did the negotiations take place which culminated in the agreement of 1950? I mean how long did they extend? Over what period of time did they extend?

A. I would have to guess at that, but I would say that it certainly extended over a period of more than one year.

Q. Do you remember the initial steps in connection with these negotiations? In other words, who approached whom on this matter initially, do you remember?

A. As I recall after consultation with counsel, and so forth, we approached Calpack on the matter.

Q. What individual in Calpack's organization was [10] approached?

A. As I recall it was Mr. Pratt. He was one of the individuals.

Q. At that time prior to the commencement of the negotiations and during the negotiations what attorneys represented the parties?

(Deposition of F. R. Wilcox.)

A. I don't know who represented Calpack, but representing us in our discussions were Mr. Far-
rand, Sr., who is now deceased and Mr. Lyon who
is present this afternoon.

Q. I believe you stated you did not know the
actual sales figures applicable to the Sunkist mark
as used by Calpack. However, at the time of the
negotiations did you know that the use of the Sun-
kist trade-mark by Calpack was diminishing each
year annually between 1947 and 1950?

A. No. I had no personal knowledge.

Q. You had no knowledge then of the actual ex-
tent of use by Calpack. Is that right?

Mr. Sears: Are you representing that to be
exact?

Mr. Wood: I am putting the question in that
form. I want to make that point clear.

Q. Did you have any knowledge of the extent of
the use of the mark by Calpack being the negotia-
tions?

A. No, I did not.

Q. Again as I understand it you were the nego-
tiating party for Sunkist Growers? [11]

A. No. Mr. Armstrong, who was then general
manager, was the prime negotiating party. I
assisted him.

Q. Could it be fairly said that you had knowl-
edge of all the proceedings at that time during the
negotiations? A. Yes.

Q. Did you bring with you any specimens of
the Sunkist labels? A. Yes.

(Deposition of F. R. Wilcox.)

Q. May I look at them?

A. I think you requested labels and advertising. Here are six specimens of Sunkist labels which we are presently using on some of our citrus products.

Q. Now do you have any advertising with you?

A. Yes.

Mr. Wood: May I take a little time to thumb through these?

(Short recess at this point.)

Q. (By Mr. Wood): Mr. Wilcox, these specimens of advertising and labels are so colorful that I think it would be a shame to reproduce them in black and white. I wonder if we could prevail upon you to provide sufficient copies of each so that they may be attached to copies of the deposition?

A. I think so. How many do you require?

Q. Perhaps four, unless Mr. Lyon also wants a copy. I was going to ask the reporter to mark all of these. [12]

A. I am sure we can furnish four of most of them.

Q. May we do that? A. Certainly.

Mr. McDonald: How many in all do you wish?

Mr. Wood: Four in all.

Mr. McDonald: Do you want the cans?

Mr. Wood: No, just the flat material. * * * Mr. Reporter, would you mark the advertising samples consecutively beginning with number two and attach them as exhibits, with the understanding that

(Deposition of F. R. Wilcox.)

additional originals are to be furnished by Mr. McDonald?

(Whereupon the advertisements above referred to were marked Defendant's Exhibits 2 to 22, inclusive.)

Q. (By Mr. Wood): The agreement of 1950 provides in part that Calpack turn over to you specimens of all the labels used by Calpack incorporating the Sunkist trade-mark. Do you have specimens of these labels?

A. I am sure we have those. They were turned over and I am sure we still have them.

Q. You don't have them available now?

A. No, I don't. I don't think they were requested. Were they?

Q. No, they were not.

A. Those would be in Mr. McDonald's files.

Mr. Lyon: He keeps his files in Ontario.

Mr. Wood: Would it be agreeable to provide me with [13] one copy each of the specimens of the specimens supplied by Calpack pursuant to the agreement of 1950?

Mr. McDonald: I think we can supply you with one of a representative number. There are quite a few, but some of them are quite limited in supply. We can give you a representative cross-section of those.

Mr. Wood: I would appreciate that.

Mr. McDonald: Where do you want those delivered? Do you want them along with the others?

(Deposition of F. R. Wilcox.)

Mr. Wood: No. I don't want them as exhibits. I would like to see them myself.

Mr. McDonald: Do you want one set of those?

Mr. Wood: One set would be satisfactory.

Q. Mr. Wilcox, since the agreement of 1950 has Sunkist Growers, Inc., filed any applications for registration of any trade-mark?

A. Yes, for Sunkist trade-marks.

Q. On what goods, do you know?

A. We have filed on a number of products including those represented by these cans which you have requested, and they include products in oranges, lemons and also some on grapefruit. They are primarily in the field of single strength juice for the various varieties of citrus, frozen concentrates and some blends.

Q. Would it be fair to say that the Sunkist mark, as used by Sunkist Growers, is represented by the specimens [14] marked number two and the succeeding ones which you have provided as specimens of labels and advertising? In other words, does the showing of the Sunkist trade-mark on these specimens fairly represent the use of the Sunkist trade-mark by Sunkist Growers, Inc.?

A. Yes, but I would say it is not intended to be all inclusive.

Q. In that connection are there any variations made in the use of the mark over the specimens which we have here marked as Exhibits 2 and the successive exhibits?

A. As to the form?

Q. As to the form of the mark?

(Deposition of F. R. Wilcox.)

A. No. It is used in that form in all of our advertising.

Q. In all of your labels, is that correct?

A. Yes.

Q. During the negotiations leading to the agreement of 1950 were you acquainted of your own knowledge with a decision of the Court of Appeals in Illinois in connection with the Sunkist Packing Company lawsuit?

A. I am not familiar enough with it to discuss it, but of course I know of the case.

Q. Did that particular decision come up in connection with the negotiations leading toward the assignment of the Sunkist mark?

A. Not to my recollection. [15]

Q. Do you remember the litigation in Illinois involving the Sunkist Packing Company?

A. Yes, I have a recollection of it.

Q. Do you remember who paid the bills in connection with that litigation?

A. No, I don't. Our records would show, but I do not remember offhand.

Q. During this period I think you said perhaps a year when the agreement leading to the sale of the Sunkist mark was negotiated, were there any other alternative types of agreements discussed by you or Mr. Armstrong with representatives of Cal-pack?

A. Not to my recollection.

Q. Would it be fair to state that the agreement of 1950 was substantially the same when executed,

(Deposition of F. R. Wilcox.)

as far as form is concerned, as it was when negotiations commenced?

A. With the usual developments which occurred during that time and the advice of counsel.

Q. Could you tell us the policy of Sunkist Growers, Inc., relative to the renewal of the registrations that were assigned by the assignment of 1950? Have you renewed any of these registrations?

A. I am not sure.

Q. The matter of registrations, I take it, are more in the domain of Mr. McDonald?

A. Yes. He handles all of the details of that. [16]

Q. Does Sunkist Growers, Inc., sell pineapple juice? A. No.

Q. Grape juice? A. No.

Q. Further in connection with the agreement of 1950 were there any secret promises made by California Packing Corporation in consideration for the \$1,250,000? A. Not to my knowledge.

Q. Then it would be fair to state that any promises made by California Packing Corporation were in writing in the agreement of 1950. Is that right? A. As far as I know, yes.

Q. The agreement of 1950 provides in part that Calpack would deliver up to Exchange, which I understand is now Sunkist Growers, "50 copies of each and every available carton, box, label, circular, advertisement, sign, billhead, letterhead and slogan on which appears the trade-mark 'Sun-Kist' or the word 'Kist' or any combination thereof, or any il-

(Deposition of F. R. Wilcox.)

illustration having such implication, or any representation, in part or in whole, of a sunburst.”

Were these 50 copies each of these specimens actually delivered to Sunkist Growers?

A. As far as I am aware, the contract was lived up to in that respect, yes, sir.

Mr. Wood: In connection with our prior discussion I [17] take it you will be able to provide me with one each of these specimens of the ones that were obtained from Calpack?

Mr. McDonald: Of a representative group. In some instances there were less than 50.

Mr. Wood: If there is a lot of duplication and one is representative of a group of different labels, perhaps on different canned goods, one would be enough, if you would say the label was used on certain other goods.

Mr. McDonald: It gets complicated when you run into various size cans. For instance, there may be sliced peaches, whole or halves.

Mr. Wood: We would want only one of such a group.

The Witness: We are clear on that, do you understand what you want?

Mr. Wood: I don't think we will have a problem there. I am sure we can get what we are after. If we don't we will let you know.

The Witness: Does Mr. Grainger want a copy of each of those?

Mr. Grainger: No, I don't need them.

The Witness: You don't want them?

(Deposition of F. R. Wilcox.)

Mr. Grainger: No.

Q. (By Mr. Wood): Referring again to the agreement of 1950, briefly it provides that Calpack will deliver to Exchange certain letters, correspondence, documents and agreements and the like relative to controversies and [18] proceedings with others respecting the use of the Sunkist mark.

Were these materials delivered to Sunkist Growers, Inc.?

A. Yes; so far as I am aware they were delivered.

Q. Referring to that portion of the agreement of 1950, Paragraph 7, it provides that each party will discharge and release the other of any claim or liability arising out of the agreement of October 7, 1915.

In connection with this paragraph had California Packing Corporation prior to 1950 threatened to bring suit against Exchange in connection with the Sunkist trade-mark?

Mr. Lyon: That is also subsequent to the agreement of 1915.

Mr. Wood: I am saying prior to 1950. What is your question?

Mr. Lyon: Subsequent to 1915, subsequent to the agreement of 1915. The agreement of 1915 recites a prior suit by a predecessor of Calpack against Exchange.

Mr. Wood: I had in mind the period between 1915 and 1950.

Q. During the period between 1915 and 1950

(Deposition of F. R. Wilcox.)

had California Packing Corporation threatened in any way to file suit against Sunkist Growers, Inc., or its predecessor? A. Not to my knowledge.

Q. This agreement also provides for a consideration [19] of \$1,250,000 payable to California Packing Corporation. Has this total amount been paid?

A. Yes, in full.

Q. During the negotiations preceding the agreement of 1950 did California Packing Corporation at any time make any representations as to the amount of money invested by it in the Sunkist trade-mark? A. Not to my knowledge.

Q. With respect to the question of filing and prosecuting applications for trade-mark registration or renewing registrations who in management would be responsible for that decision or for decisions involving such matters?

A. The recommendations are made by Mr. McDonald and general management which means myself at the present time—they would have the final decision.

Q. Were you consulted with respect to the applications for registration filed by Sunkist since 1950?

A. Either Mr. Armstrong or myself were consulted, yes.

Q. What is Mr. Armstrong's capacity now?

A. He is retired now, sir.

Q. When did he retire?

A. December 31, 1956.

Q. Is there anyone else in management besides

(Deposition of F. R. Wilcox.)

yourself who would pass upon applications for renewing registrations? [20]

A. Yes. In my absence it would be the assistant general manager, Mr. Don Anderson, D. M. Anderson. In the normal re-registration it is entirely up to Mr. McDonald. That is just a proper procedure to follow.

Q. You don't know of any particular instance since 1950 where you passed on the advisability of filing, prosecuting or renewing an application for registration?

A. I can't think of a specific instance, but I am sure that they have been discussed over that period of time, particularly in some of the foreign countries. I can think of one in Australia and New Zealand where registration and re-registration has been made. Of course during that period of time we have registered for our products all of which has been done since this agreement of 1950.

Q. I think you testified to this before, but I don't remember exactly what you said. When you say products that means what?

A. That means products made from citrus fruits including juices, concentrates, frozen and pasteurized.

Q. Products as distinguished from fresh fruits?

A. Yes.

Q. I was a little dense about that. I am sorry.

A. We use it as a common phrase term to distinguish it from the sale of fresh oranges, lemons and grapefruit.

(Deposition of F. R. Wilcox.)

Mr. Wood: That is all the questions I have, but I would like to suggest a five- or ten-minute recess. [21]

(Short recess at this point.)

Cross-Examination

By Mr. Sears:

Q. Mr. Wilcox, in 1950 at the time of the negotiation of the agreement which we have been discussing this afternoon did you know of the injunction which Calpack had against Sun-Maid Raisin Growers restricting its use of the Sun-Maid mark to raisins and raisin products?

A. Yes. During the negotiations that was brought out, that there was such a document.

Q. Did Sunkist Growers consider the existence of this injunction in connection with the purchase of the rights acquired by the 1950 agreement?

A. I would say it would be a part of the whole good will program of the trade mark and in purchasing the rights of Calpack to the trade-mark included the good will, and that was a part of it, yes, sir.

Q. In connection with the rights acquired by Sunkist in the 1950 agreement does Sunkist Growers consider the form in which Calpack used the Sunkist mark and the form in which Sunkist Growers uses the Sunkist mark as equivalents?

A. Yes. I would say definitely so. With respect to the amount of usage we recognize that Sunkist

(Deposition of F. R. Wilcox.)

used it to a greater extent, but within the limits of its use my answer to your question would be yes. [22]

Q. Since the acquisition of the rights under the 1950 agreement has Sunkist Growers increased and expanded its use of the Sunkist mark?

A. Oh, yes.

Q. That increased use of the Sunkist mark has been on what products?

A. It has been on what we call or normally classify as citrus products which includes a large range of products that are normally made from citrus fruits.

Q. It includes canned products? A. Yes.

Q. Prior to 1950 did Sunkist Growers use the mark on canned products? A. No.

Q. You stated a moment ago that the existence of the injunction which Calpack had against Sun-Maid was taken into consideration by Sunkist Growers in making the 1950 purchase of rights. Has there been any circumstance which has occurred since 1950 up to the present time which has eliminated the significance of the injunction to Sunkist Growers?

A. No. Not that I can think of, sir.

Q. In that connection circumstances have stayed the same from 1950 until today?

A. Yes. The only change has been the one we have referred to earlier which is the extension of the use of the [23] trade-mark by Sunkist since that time.

(Deposition of F. R. Wilcox.)

May I state also that that extension of the use of the trade-mark has not only been domestic but also in foreign markets as well where we have registered four products in a number of foreign markets, both actual markets and potential markets.

Q. As general manager of Sunkist Growers would you want to see the Sun-Maid mark used on citrus products? A. No.

Q. Do you feel there might be elements of confusion or possibly impairment of Sunkist sales position in such usage? A. Yes.

Mr. Wood: I am going to object to your suggesting an answer to the witness and leading him. I think you should restate the question.

Mr. Sears: I don't think I have any other questions.

Redirect Examination

By Mr. Wood:

Q. Mr. Wilcox, I think you said this injunction mentioned by Mr. Sears was considered during negotiations culminating in the agreement of 1950. Did I understand you correctly to state that you considered that together with or as part of the good will of Calpack?

A. I said this, that in the purchase of the rights of Calpack to the Sunkist trade-mark that it was the good will, [24] and I think all of the elements of protection for the Sunkist trade-mark by Sunkist Growers, Inc., was a part of the consideration for making the payment.

(Deposition of F. R. Wilcox.)

Q. Was there any discussion at the time of the negotiations relative to specifically mentioning the injunction in the agreement?

A. I don't recall specifically, sir.

Q. With whom did you discuss the injunction at the time of the negotiations?

A. I would say primarily our own counsel.

Q. Would that be Mr. Lyon and anyone else?

A. And Mr. Farrand.

Q. Was it discussed with any representative of Calpack?

A. Not to my knowledge.

Q. Who in the Calpack organization called your attention to the existence of this injunction?

Mr. Sears: Of course it is a matter of public record, Mr. Wood. There is a published decision on it.

Q. (By Mr. Wood): What is your answer?

A. I wouldn't know that, sir.

Q. Isn't it true you did not discuss the matter of the injunction with anyone during the negotiations, anyone on Calpack's side?

A. I can't recollect so doing.

Mr. Sears: I didn't hear the answer, Mr. Wilcox. [25]

The Witness: I can't recollect so doing.

Q. (By Mr. Wood): And if there was any discussion relative to the injunction participated in by you it was probably with Mr. Lyon?

A. I would say Mr. Lyon, and Mr. Farrand.

(Deposition of F. R. Wilcox.)

both of whom are active in our negotiations. We relied on them for legal advice.

Q. Do you remember any statement made by Mr. Farrand in connection with the injunction prior to the agreement in 1950? A. No.

Q. Do you remember any statement made by Mr. Lyon relative to the injunction?

A. No.

Q. When was the existence of this injunction first brought to your attention?

A. The first I knew about it was during our negotiations in 1949 and 1950.

Q. Under what circumstances was it called to your attention? A. I do not recall.

Q. Is it possible that it was not mentioned at all?

A. No. It was discussed as part of the whole broad program.

Q. However, you don't remember with whom it was [26] discussed. Isn't that right?

A. As I have stated, to my knowledge the only discussion was with our attorneys.

Q. But you don't remember any statement made by either counsel relative to the injunction?

A. No, I do not.

Q. When you stated that it was taken into consideration as part of the good will could you state what in your opinion is meant by good will?

A. Trade-marks if they are of value, and we felt this was of value as indicated by the amount of money in paying for it, carries a certain significance to the public, and to the trade. With that I think

(Deposition of F. R. Wilcox.)

also goes a certain amount of public protection of the trade-mark. That is my conception of the good will that it carries which we constantly try to build up.

Q. Do you think the injunction we are speaking of had any significance to the public?

A. I would say insofar as any trade-mark has to be protected, if it has value, just as all of us do with our respective trade-marks and properly use them so there is no confusion in the minds of the public as to the significance of the trade-mark and the importance of the trade-mark.

Q. Do you remember prior to the agreement of 1950 discussing the matter of the injunction with anyone else in the sunkist organization other than the attorneys?

A. No.

Q. Did you contemplate at the time of the negotiations and when you were evaluating the good will that the assignment agreement of 1950 conveyed the injunction with it?

A. As far as I am concerned personally I did not consider that.

Mr. Sears: That of course is a written document. Excuse me for interrupting, Mr. Wood. It will speak for itself.

Mr. Wood: The point I am making, and as I understand there is nothing in writing in the agreement covering the injunction.

Q. Is that right, Mr. Wilcox?

(Deposition of F. R. Wilcox.)

A. It is not specifically mentioned to my recollection. I would want to review it.

Q. Would you say the injunction was mentioned in the agreement in any general way by reference to some other terminology?

A. No, except as I say in the general clause of good will and in making this purchase we certainly were careful in not giving up any rights that we had in Sunkist but rather to obtain additional rights, and that is what I mean, that we did not want in any way to lessen the rights and the value of the trade-mark to us in obtaining whatever rights and privileges Calpack had. [28]

Q. I understand you stated you did not feel that the injunction went along with the trade-marks yet you feel it was part of the benefits acquired by Sunkist. Is that right?

A. We did not acquire the injunction, of course, under the 1950 agreement.

Q. You did not acquire the injunction?

A. No, but having knowledge that it was there I would say it entered into our whole broad thinking and that it was in effect some protection.

Q. If you did not acquire it, I take it you assumed it stayed with Calpack. Is that right?

A. Wherever it was lodged and that was the place for it.

Q. Did you know at the time the injunction was obtained at the behest of Calpack? A. Yes.

Q. California Fruit Growers Exchange was not a party to any proceeding in connection with ob-

(Deposition of F. R. Wilcox.)

taining the injunction? A. No.

Q. Was it a secret party in any way?

A. No.

Q. Would it be fair to state that your understanding was that the injunction, for whatever value it had, remained in Calpack? [29]

A. That is right, yes.

Q. You obtained nothing of benefit under the injunction by the agreement?

Mr. Sears: That is not what he testified to.

Mr. Wood: I am trying to get Mr. Wilcox to state exactly what the situation was at the time. We have established that the injunction did not pass to Sunkist Growers.

The Witness: That is right.

Q. (By Mr. Wood): If it did not pass to Sunkist Growers do you mean it stayed with California Packing Corporation? A. Yes.

Q. Would you explain why this injunction had any value in considering the value that you were getting under this agreement?

A. I think only as I have indicated, as a part of the whole good will and establishing the rights of Sunkist which we did acquire from Calpack.

Q. You understand you did acquire Calpack's good will in connection with the Sunkist mark, is that right? A. Yes.

Q. Then it was not your understanding, I take it, that you acquired any rights under the injunction. Is that right? [30] A. No, sir.

Q. You can see my difficulty, Mr. Wilcox. I am

(Deposition of F. R. Wilcox.)

trying to determine why at that time the injunction had any significance to you as a consideration or anything to be considered during the negotiations if you knew at the time that the injunction stayed with Calpack?

A. Well, I would say just as a part of this broad protection of the Sunkist trade-mark.

Q. It was your understanding then the fact that this injunction remained with Calpack would be some protection for Sunkist Growers. Is that right?

A. Let me say that we felt we knew of it and took no particular part in its disposition one way or the other, but I would say that it was a part of the consideration in the purchase of the whole trade-mark good will.

Q. I am trying to establish when the significance of this injunction really came about, whether it was prior to the agreement or after the agreement.

Mr. Sears: He has already stated it was taken into consideration at the time of the agreement.

Mr. Wood: I am trying to establish how Mr. Wilcox expected to get any benefit under the injunction if the injunction remained with Calpack.

Q. Mr. Wilcox, you stated before there were not any secret agreements in connection with this agreement of 1950. Was there a secret agreement between the California [31] Packing Corporation and Sunkist Growers to the effect that California Packing Corporation would enforce the injunction which remained with it?

A. No.

(Deposition of F. R. Wilcox.)

Mr. Lyon: I think you should explain to the witness what you mean by secret.

Q. (By Mr. Wood): I mean not expressed in the agreement. A. No, there was nothing.

Q. Would you state how you feel the injunction would be of any benefit to Sunkist Growers, Inc., if it remained with Calpack?

A. It must have had some significance in the protection of the trade-mark when it was originally obtained and when the matter was brought, as I have stated——

Q. Of course you are speculating now. We are trying to find out what you know about it.

A. No. I would not have any knowledge of that.

Q. Is it not true that the matter of the injunction, if it was brought up at the time of the negotiations, was not given any weight whatsoever?

A. No. I would say that was not the case because I think all of the matters were brought up of which this was one and had some weight in our whole thinking and negotiations which of course was complicated from the inception as you can well understand.

Q. What were some of the complications? [32]

A. Arriving at amounts of what to pay, being sure that we would get all of the good will that was in the Calpack Corporation, and things of that nature.

Q. Did anyone in the Calpack organization at any time ever mention that some consideration

(Deposition of F. R. Wilcox.)

would be forthcoming in the future for the sale of the injunction, or any words to that effect?

A. No, not to my knowledge.

Q. Did you discuss the testimony you have given today with Mr. Lyon? A. Yes.

Q. Did you discuss the value of the injunction during the negotiations with Mr. Lyon?

A. What do you mean?

Q. You said the injunction was a consideration during the negotiations.

A. Yes, it was discussed at that time.

Q. Have you discussed with Mr. Lyon recently the value of the injunction during the negotiations?

A. No, not that I recall.

Mr. Wood: That is all.

Recross-Examination

By Mr. Sears:

Q. The 1950 agreement provides that Calpack was to render aid and assistance in connection with the Sunkist mark. Is that correct? [33]

A. Yes.

Q. Was it your general expectation that Calpack would enforce the injunction, the existence of which you knew at the time of the 1950 agreement?

A. I don't think I considered it one way or the other, sir.

Q. But you have stated that the injunction was taken into consideration? A. Yes.

Q. In connection with the acquisition of rights?

A. That is right.

Mr. Sears: I have no other questions.

Mr. Wood: That is all.

/s/ F. R. WILCOX.

Subscribed and sworn to before me this 3rd day of July, 1957.

[Seal] /s/ MIGNON E. LANGILL,
Notary Public in and for the County of Los Angeles, State of California.

My Commission expires October 23, 1957. [34]

State of California,
County of Los Angeles—ss.

I, Byron Oyler, a Notary Public in and for the County of Los Angeles, State of California, do hereby certify that F. R. Wilcox, the witness named in the foregoing deposition, was before the commencement of his deposition duly sworn to testify the truth, the whole truth, and nothing but the truth; that said deposition was taken, pursuant to Notice, at the itme and at the place as herein set forth; that said deposition was taken down in shorthand by me and thereafter transcribed into type-writing, and I hereby certify that the foregoing 34 pages contain a full, true and correct transcription of my shorthand notes so taken.

I further certify that it was stipulated by counsel that said deposition may be read over, corrected and signed by the witness before any notary public.

I further certify that I am neither counsel for nor related to any party to said action, nor in anywise interested in the outcome thereof.

In Witness Whereof, I have hereunto subscribed my name and affixed my seal, this 28th day of June, 1957.

[Seal] /s/ BYRON OYLER,
Notary Public in and for the County of Los Angeles, State of California.

[Endorsed]: Filed July 8, 1957. [35]

[Title of District Court and Cause.]

CERTIFICATE BY CLERK

I, John A. Childress, Clerk of the above-entitled Court, hereby certify that the items listed below constitute the transcript of record on appeal to the United States Court of Appeals for the Ninth Circuit, in the above-entitled matter:

A. The foregoing pages numbered 1 to 126, inclusive, containing the original:

Complaint.

Answer.

Amended Answer.

Findings of Fact and Conclusions of Law, filed March 26, 1934.

Final Decree of Dismissal, filed March 26, 1934.

Mandate of Circuit Court of Appeals, filed 6/15/36. (Copy) Minute Order 6/15/36.

Final Decree, filed June 15, 1936.

Writ of Injunction.

Supplemental Affidavit of Earle G. Grainger.

Notice of hearing of Motion and Motion to dissolve Injunction or, in alternative, to join Sunkist Growers, Inc., as a party.

Opinion of Court, filed July 8, 1958.

Findings of Fact, Conclusions of Law and Order denying Motion of Defendant to Dissolve Injunction.

Notice of Appeal.

Designation of Contents of Record on Appeal.

Stipulation and Order extending time within which Appellee may designate an additional portion of the record on appeal.

Minute Order 9/22/58 re extending time to file and docket record on appeal.

B. (Copy) Contract of March 10, 1917.

C. Exemplar of Sun-Kist trade-mark, attached to "Amended Answer."

D. Deposition of Charles Griffin, Jr., and exhibits Deposition of F. R. Wilcox, and exhibits.

I further certify that my fee for preparing the foregoing record, amounting to \$1.60, has been paid by appellant.

Dated: October 13, 1958.

JOHN A. CHILDRESS,
Clerk;

[Seal] By /s/ WM. A. WHITE,
Deputy Clerk.

[Endorsed]: No. 16223. United States Court of Appeals for the Ninth Circuit. Sun-Maid Raisin Growers of California, a Corporation, Appellant, vs. California Packing Corporation, a Corporation, Appellee. Transcript of Record. Appeal from the United States District Court for the Southern District of California, Northern Division.

Filed: October 14, 1958.

Docketed: October 16, 1958.

/s/ PAUL P. O'BRIEN,
Clerk of the United States Court of Appeals for
the Ninth Circuit.

United States Court of Appeals
for the Ninth Circuit

16223

SUN-MAID RAISIN GROWERS OF CALIFORNIA, a Corporation,

Defendant-Appellant,

vs.

CALIFORNIA PACKING CORPORATION, a Corporation,

Plaintiff-Appellee.

DEFENDANT-APPELLANT'S STATEMENT
OF POINTS TO BE RELIED UPON ON
APPEAL

The points on which appellant, Sun-Maid Raisin Growers of California intends to rely in this court in this case are as follows:

1. The court erred in holding that the change of ownership in the trade-mark Sun-Kist, and the good will attached to it, does not alter the rights of the parties to the agreement of March 10, 1917, and to the injunction, which limited Sun-Maid's use of the trade-mark to raisins and raisin products only.

2. The court erred in holding that plaintiff, the assignor of the mark Sun-Kist, is obligated to defend against violation of the injunction, even though it is no longer the owner of the mark.

3. The court erred in holding that the continuance of the injunction does not have an oppressive

effect upon the business of defendant in the light of changed conditions.

4. The court erred in holding that the contract which stemmed from litigation relating to the Sun-Kist and Sun-Maid trade-marks is not now an illegal restraint of trade as applied to defendant's business.

5. The court erred in holding that the injunction sought to be dissolved was not for the sole purpose of protecting plaintiff's interest in the trade-mark Sun-Kist.

6. The court erred in holding that it would be inequitable to substitute the assignee of the mark Sun-Kist as a new party plaintiff.

7. The court erred in refusing to dissolve the injunction of June 15, 1936.

District Court.

BOYKEN, MOHLER & WOOD,
GORDON WOOD,

By /s/ GORDON WOOD,
Attorneys for Defendant, Sun-Maid Raisin Grow-
ers of California.

Certificate of service attached.

[Endorsed]: Filed October 23, 1958.